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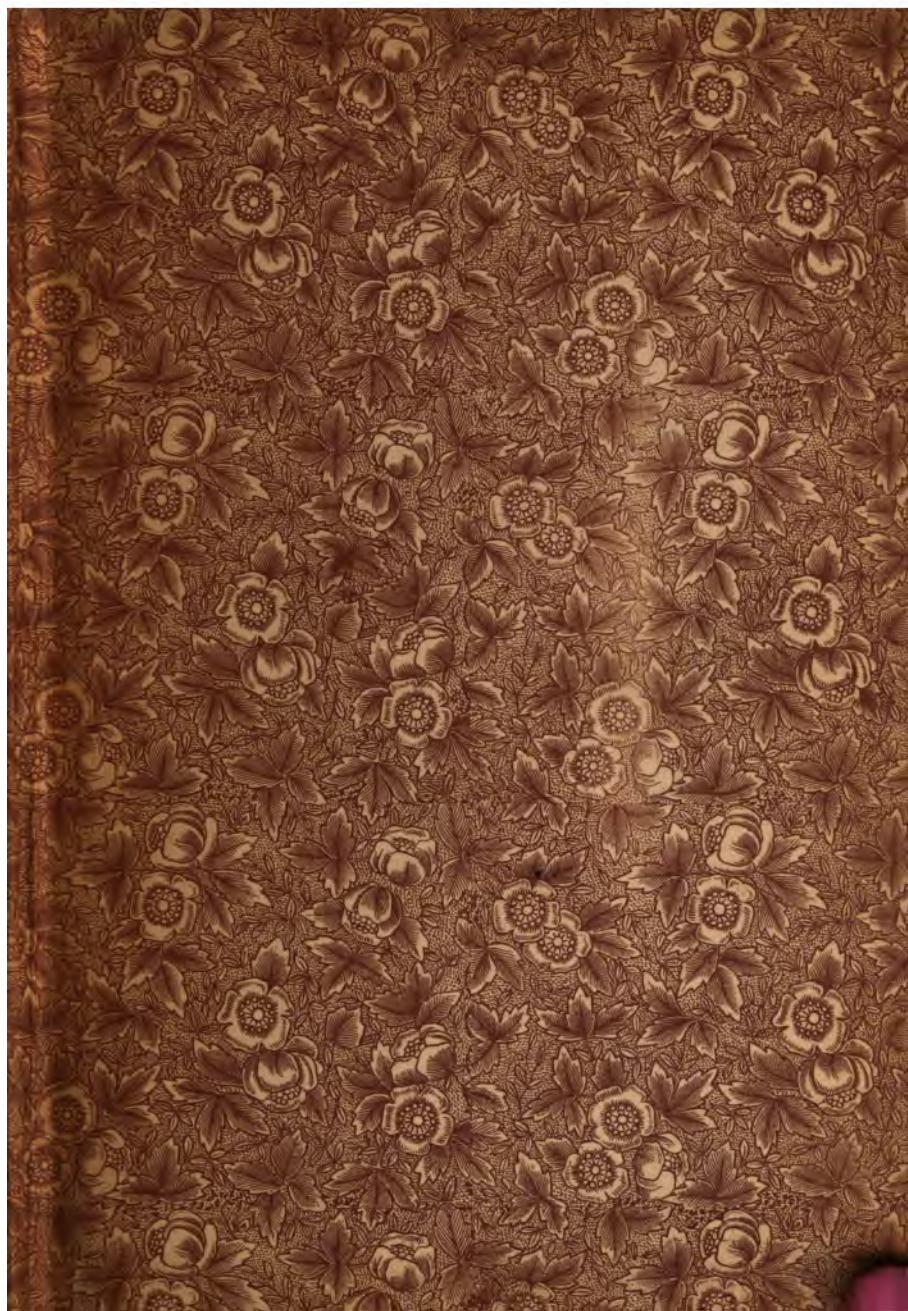
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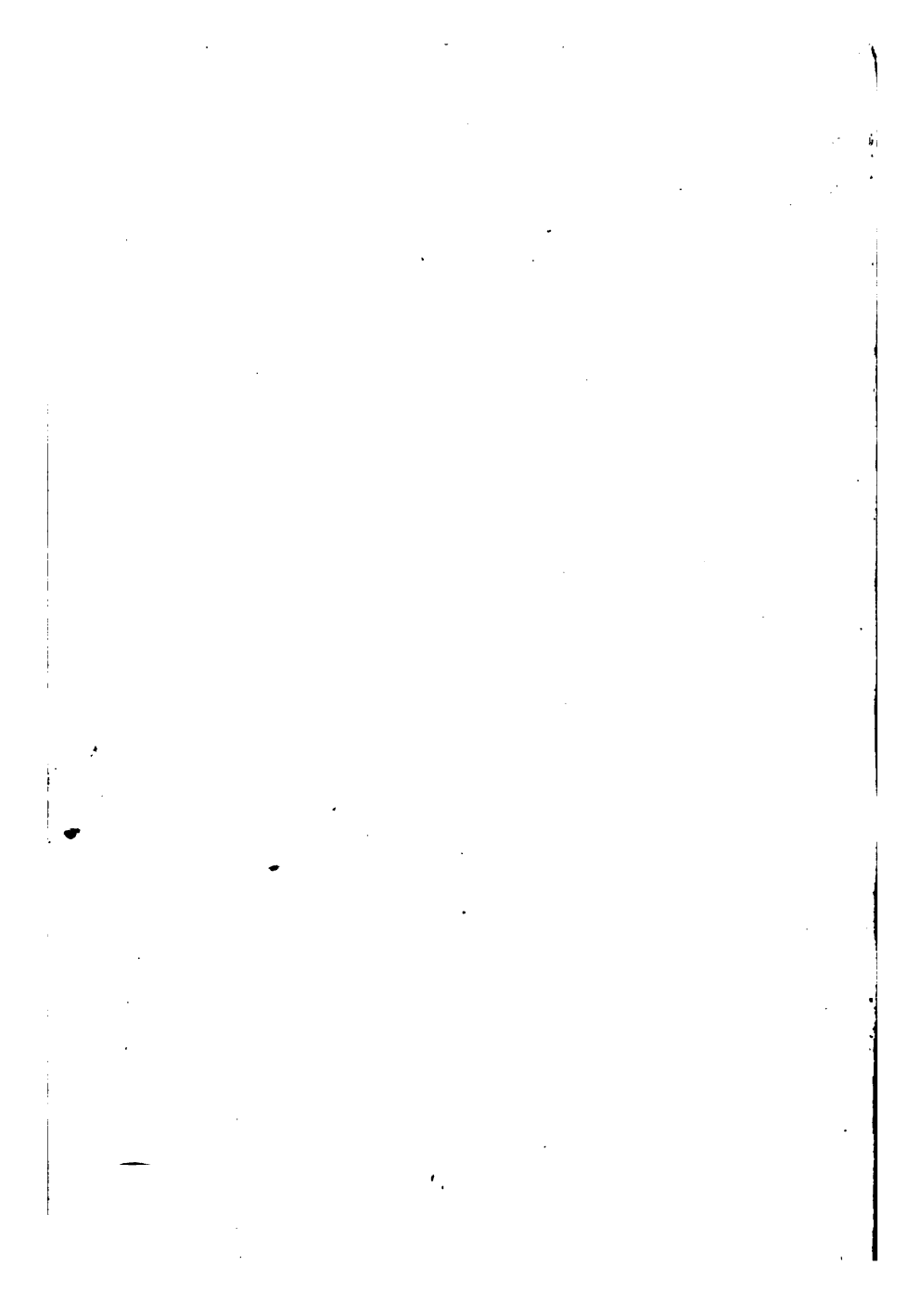
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# HARD TIMES.

A FEW SUGGESTIONS TO THE WORKERS AND A BROAD  
HINT TO THE RICH.

BY  
JOHN SMITH.

The distinguished mark of greatness is to assert itself in the midst  
of adversity.—MACAULAY.

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1885.

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## PREFACE.

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BEING impelled by an earnest desire to encourage thrift, and thus to help the poor, and being impressed with the idea that we might be able to express in few words some valuable hints for the workers, as to the causes of, and some practical remedies for the hard times—though well assured that we shall be heartily derided by those who do not hold to our views, for the reason that we trench upon ill-gotten gains—we have, after our busy hours of daily labor, as a recreative delight, prepared these pages.

Socialists and Communists need not apply. We have no crumbs of comfort for them.

JOHN SMITH.

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## PRELUDE.

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THE commonly accepted theory of money in our commercial and financial economy, is that money is simply an interposing commodity, and has an official and incidentally serviceable relation to other commodities, rather than a positive and arbitrary relation; and that the use of money is largely to effect exchanges in commercial intercourse as between individuals, or, on a larger scale, as between nations, and also to settle balances at the Clearing Houses.

It is held that the paramount need for money is as a standard of value. Prof. Sumner says: "Specie is more and more important every year as a measure of value, and less and less important as a medium of exchange." Prof. Perry says: "What is wanted is a standard of value, and not strictly a circulating medium." It is also held that, although there are two money metals, owing to the fluctuations in their respective exchange value to each other but one metal should be used as a standard of value.

We observe that, if money were used simply as an interposed commodity to effect exchanges.

or if only to furnish a standard, it would matter comparatively little as to the medium employed, or as to its quantitative volume. Also,

That money has other uses, and its greatest and most absorbing one is altogether ignored by these "wise men"—uses which in practice completely disprove their presumption of equitableness in the use of one metal only.

In contrast with these principles, we take issue as follows:

I. The use of money as a standard is purely incidental and nominal.

II. Its principal use is as an equivalent.

III. Its necessity as a medium of exchange is imperative as a matter of convenience only.

IV. In the exigencies of our industrial, commercial, and national life, recourse is of necessity had to a multiplicity of credits—those payable on demand, and to contracts promising the delivery of value at a future date, in which the accepted and uniform practice is to state the value in money. But by far the greatest existing necessity for money is to deliver this value on call, or at the appointed date as may be defined in the obligation. Its necessity as a means by which value may be delivered under these obligations, is expressed most truthfully and sententiously by the word *prosperity* if we are able to deliver as

agreed upon, and by *ruin* if we are not able so to make good the contract.

V. The use of both metals as money is imperative as a matter of *safety*. (1) Because of their fluctuations in value as related to each other, and necessarily as related to all other commodities; (2) for the reason that our country is the principal field of production for both metals; and (3) for the further reason that both metals are in general use as standards throughout the world.

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## I.

### HARD TIMES.

EVERY calculation in estimating the state of the times in this country must begin with a careful consideration of the condition, first of the laborer, then the debtor, and next the farmer. If all these are doing well the industries must be prosperous.

It matters little as to the capitalist. He has enough and to spare at all times. If the industrial world is thriving, the rich are prosperous, but hard times often afford special advantages to them.

If there is a good demand for labor, and the workers are well paid, it is safe to conclude that times are good. If the debtor is in good heart and meeting his engagements promptly, it is an absolute sign of good times. If the farmer is enjoying fair rewards for his labor, it is a true index of the prosperity of the business man and tradesman.

The workers are the basis of our social and industrial life. The debtors most often are laborers, and the farmer is but a laborer — a producer.



It goes by common consent that times are hard and the workers are in trouble.

It becomes each individual to study well as to the causes. Some of the causes originate in mis-directed and unwise personal action, and unavoidable misfortunes, and some are general in their operation.

In considering this matter it is well to begin at home; we deal with personal causes in this chapter, and we beg our readers to consider patiently, as we endeavor to throw a little light on this subject, promising that as to general causes we will give the reader full satisfaction in the following chapters, so far as we pretend to go within the line of our subject, and within the space we propose to occupy.

Many essays and volumes have been published showing the hardships and disabilities of the wage-workers, the distress and privations of the poor, and the hard fare of the toiling millions, all abounding in hints and suggestions in their behalf. The world is full of them; some are addressed directly "at" the rich, and these, for the most part, are good words thrown away—spoken in vain; and some of them are addressed to the poor, and are by them too indifferently received. Some are not worthy of notice.

We have a very strong desire to lend a helping hand, and it is with great delicacy that we

come to the poor with our offering, well knowing that we must state some startling and disagreeable facts, enough in themselves, well nigh, to estrange and frighten them from desiring any communications with us in our efforts to ameliorate their condition. Nevertheless, we have a few suggestions to offer, which, if heeded, will be of immense practical service to the poor, to the wage-worker, to all in moderate and reasonably comfortable circumstances, and especially to our young men just coming upon the stage of action, upon whom will devolve the necessity of solving the great social problems immediately before them, with which they are now brought face to face.

We have no honeyed words and sentimental platitudes to offer. We would if possible win confidence by speaking to them of things as they are; and we may be allowed to say that we know the poor, we are of their number and have been with them, and in some measure are able to speak for them, and we have a right to speak to them.

We have come upon evil times. Some of us may not be in immediate suffering, but we see our worldly resources growing smaller, and the reward of our labors more slender and our hold upon even this more precarious, while our necessities are constantly increasing. We see ourselves hemmed in on every side with one only possible

avenue of escape, to wit: individual exertion in the line of provision for the present, and in a gallant warfare for our rights under the laws of our common country.

Some of us have been for years struggling with adversity, hoping almost against hope, and now the skies are blacker than ever. Some of us have been engaged in a hand-to-hand fight with the oppressor, but it is an unequal contest; it is the contest of the man unarmed in the embrace of a "grizzly."

Croaking is one of the first causes — over-much and unreasonable complaining and grumbling. We complain too much and do too little. Complaining does no good unless accompanied by action tending to remedy the thing complained of. Constantly to harp upon calamities to come, and those which may never come, to brood over woes and misfortunes, to look only on the dark side of things, and to whine over things which cannot be helped or bettered, certainly tends to unfit us for useful activity.

This complaining spirit on the part of individuals is a powerful element in producing hard times, and in so far as it keeps the poor waiting for something to turn up, and neglecting present duty and opportunity, it does mischief and works discouragement.

£ Hard times, in the greatest measure, are brought

about by personal discouragement manifesting itself in dilatory action, improvident conduct, and restlessness. The community is made up of individuals, and individual action determines the condition of society.

The only practical remedy for hard times is for each person to keep up his courage and to do what he can, do this well, and keep at it, in order that he may lay by of his means against an evil day. This process, well worked out, will bring good times, or, at least, fair times in most instances.

This is cold comfort for the worker out of work, rent to pay, and with a family to feed ; but if you can hold fast for a while, we will all join in a grand shout which will ring with no uncertain sound at the next session of congress, calling upon our representatives to break the back of the merciless monster which is crushing the life out of our industries and consuming the substance of the people.

The royal road to good times is patient labor, with a contented spirit, each person acting in his own behalf, improving present opportunities, rather than allowing the present to be wasted in vain hopes.

Scheming and castle building never worked out a competence for anyone. It is just as ineffectual for accomplishing good as is whining.

All must meet with calamities and misfortunes. In the very nature of things we must each bear our share, and some of us seem almost to have more than we can stand up under; but we have no other way than to make a good fight of it, possess our souls in patience, and be willing to learn the lessons our experience affords us; to study cause and effect, and to use every honorable means within our power to better our condition and gain a competence.

The facts are very plain and manifest, and it becomes us to look right at and to study them.   
 { The times are growing harder rapidly and surely,   
 { and the outcome is inevitable. As the years roll on, marking our personal history and that of our nation, we shall, alas, too late! make the discovery that the poor got into debt, and the rich took advantage of them. The rich are compounding their wealth — riches — and the poor are spending their income and their very substance in current living. There is no hope for any other condition of things, but we may reasonably expect to mitigate some of the evils, and put off for a time the day of abject poverty so certainly approaching, and soon in any event to overtake the great mass of people.

6 We repeat, only by practical economy, patient   
 7 labor, and husbanding of resources can each in-   
 8 dividual acting for himself and in behalf of his

immediate family, and by each member of the family striving with a will to the same end, spare themselves the suffering incident to poverty. It is too prevalent a practice among our people to allow the head of the family to be the only producer, and all the rest to act the part of consumers.

Let no man deceive himself with the vain delusion of better times coming; to wait for that day is fatal! Better times will not come unless each person works it out for himself. In doing this we shall bless our neighbors by setting an example of thrift and economy. The effect of a good example is inspiring and contagious. The cry of "hard times," and the occasion for the cry, will never cease. The hey-day of inflation and booming times is past, and the rich men are gathering in the spoils.

And now, while we discourse of wealth, capital, poverty, and labor, and suggest some remedies in behalf of the poor, we trust we may be patiently indulged, and that a careful hearing will be granted us.

## II.

### WEALTH.

**W**EALTH is the resulting accumulations produced by human activity in promoting and developing the individual and common well being.

Wealth in the abstract is the measure of prosperity; in its visible material it signifies and is the reflection of prosperity, and in its effects as relating to the individual, the community, or the nation, is the realization of prosperity.

Wealth is not confined to, although it is largely represented by material things. All property is not wealth; but those materials in nature, and devices which are the outgrowth of human genius, made use of to good ends, are wealth.

Wealth is well accomplished; many factors conspire to develop it. We may not always know what are and what are not factors of wealth, but we do know that wealth is the grand desideratum in this world. The wisest, the ablest, and the most noble are those who with the greatest degree of certainty know what wealth is, where and how to find it, and, knowing, seek to accomplish it.



Hence, an imperative demand is made upon us to investigate, and in the full exercise of our ability to solve this practical problem; only so far as we do this is the world the better for our presence.

In working out this problem, each individual demonstrates the measure of his or her wealth by the sum of their contribution to the common wealth. We know of a certainty that selfishness is not one of the factors from or by means of which wealth accrues, while we know as certainly that beneficence is the master spirit under which wealth is developed.

Fallibility is an element of our nature, but we may approximate the truth. We know but little intuitively; we learn much by theory; and then we unlearn by practical experience—when we are in fact, willing to learn.

### III.

#### COMMERCIAL WEALTH.

WE come now to consider commercial wealth, which may be defined as consisting of acquired material, the product of human labor, or the means by which labor may be utilized.

Wealth in its popular sense is but another term used to designate capital or money. Its true sense we have already stated, and it is necessary to bear in mind this distinction.

It is only necessary to state a well known fact that capital put to use is power. The relation of this power for good or evil, to the individual, the community, and the nation, is the practical question of the day.

Deep rooted in the human mind is the instinct we call *ambition* — a desire to have and to exercise power — to rule. The earliest manifestation of intelligence in a human being is but an expression of this instinct, and the growth and development of intelligence is not more rapid than the increase in strength of the will power — ambition.

As a child comes to a knowledge of the use of things, the discovery is made that money has

power, and with increase of years money is desired as a means to obtain things necessary to protect and adorn the body; or for other needs, it matters not what, money is the necessary thing.

Experience teaches that money making is the science of practical life—its comprehensive end and aim.

The desire for money in each person is the same, modified only in degree. It is aspiration for power in every instance; it is desired for a purpose — for use.

This ambition is no doubt at the first almost universally healthy and worthy, prompted by pleasurable anticipations and good intentions; but in running its natural course, gaining strength by victory, flushed with pride, it becomes a passion, and as such is without exception absorbing and demoralizing, blunting the finer and more noble sensibilities and demoralizing the mind; the tendency is to drive out of the heart of man every element of mercy, and it well nigh accomplishes it.

Rich men may exercise mercy, and happily for all, we have many noble examples of rich men who turn their riches into *wealth*, and this is their only defense; but the fact remains that the reflex and violently active power of riches on the possessor is in a high degree demoralizing. We all know this, for we have seen it, and on too many occasions we have *felt* it.

Capital in itself is arbitrary, cunning, and merciless. This fact is attested by the statute laws of every state, which proclaim relief and exemptions to the poor, but, nevertheless, the rich are ever trying to defeat and evade these laws. Capital is also too often malicious, as in the case of a creditor who, knowing a debtor's circumstances, buys up or gets control of the indebtedness, and then, pressing for payment, compels the debtor to yield up the coveted farm. An epitome of its history may be written in one word—*cruelty*. The bitter essence of human power may be summed up in the one word—*oppression*.

Increase of educational intelligence has not rendered it less crafty, and modern methods have only tended to refine the temper of its steel, and harden the iron of which its bands are wrought. It is quite unnecessary to cite proofs of a fact so patent—that riches in the abstract possess no element of mercy.

Commercial wealth is nothing except in its use—its power. The inherent law of this power is to make all things subservient to its behest, combining all means to this end; and the tendency at the present time, more than ever before in the history of the world, is to centralization—*combining for power*.

All legislative bodies are wrought upon, and too often are the willing tools of this power.

Money, not necessarily direct bribery, is the occasion of the most of our evil legislation.

Occasionally the people, feeling the encroachments of this power, are aroused to indignation and arise in their might, throw off the yoke, and demand better laws — more efficient protection — but the mighty genius of capital sleeps not, and new devices are found and brought into service to defeat the will of the people.

In considering the power of collective capital, we cannot avoid the use of that hackneyed and much abused word, "monopoly." It has been ridden as a hobby up and down the land by fanatics and demagogues, until the people are heartily discouraged; and a prudent man will have little use for the word if he wishes to engage attention; but it means just this: *Centralized capital manifesting its power to aggrandize and perpetuate itself*, and in this sense we make use of the word.

It matters not what the aggregation of capital may consist of, it is inevitably a monopoly unless the element of "charity" is admitted as a controlling factor. The natural instinct and disposition of the genius animating capital is to make its power felt up to the utmost limit of toleration. The element of mercy finds small place in modifying its power, which is kept in subjection only by the restraint of statute law, or by the force of

competition — other capital seeking to secure to itself some of its rival's advantages.

Capital reaches out in every direction seeking interests with which it may combine, and powers with which it may ally itself for increase of power. This is natural, and in most instances it is right, but the avarice of men leads almost certainly to abuse of this natural right, and develops itself in acts of injustice and oppression.

Scientific inventions and modern improvements in machinery and methods of business transactions tend to hasten and assist the work of centralization. Our commercial facilities are now such that space is almost annihilated; cities, states, and nations are brought into close contact, rendering possible and practicable what in years but recently passed would have seemed altogether impracticable.

Every new source of wealth is speedily monopolized; keen-witted and cunning men are alert and actively engaged in spying out materials and opportunities for gaining riches, and they well know what to do with them when found. Each new invention is "capitalized" for all it will bear in value, its value being estimated on the basis of its assumed ability to win earnings from the people.

An invention which may practically have cost nothing is capitalized at millions, and as soon as possible exploited upon the people.

If it proves to be a successful undertaking and will bear more capital, or if any interest is discovered with which it seems desirable to combine, it is "capitalized" again, and usually a debt equal to its true value is placed upon it to make the outfit complete, and put it in the right shape to worry the people.

These new elements of wealth may be, and often are, of inestimable value to the people, and we may well glory in the spirit of invention and discovery which brings them into existence; but this is a matter of capital representing no cost—capital extemporized for the purpose of imposing taxes upon the people—"watered capital"—overestimation of values for the purpose of compelling the payment of tribute.

It is a just proposition that the people are entitled to all things of general utility and necessity at a fair price, and at rates reasonably remunerative to inventors, projectors, and proprietors.

The people study too little as to the secret workings of the money power. The capitalists have many ways of working. They assume that these affairs are above the comprehension of the poor—the people; that they are not able to understand the problems in which they of necessity are vitally interested. The rich are able and willing to tell the people all about them in their own manner of explanation—when they know



they must do so—when the people speak with emphasis; and, when it becomes necessary to mystify the questioners, they have plenty of wise and learned writers on social, political, and financial economy, and statisticians well qualified to mystify them thoroughly. All these things are good in their way—to those who care to wade through the depths of their wordy-wise and grandly mysterious dissertations, and then “simmer them down” and extract the kernel of practical sense.

It is all as though there were some hidden mystery in finance not appreciable by the ordinary mind; that only men of profound wisdom—scholastic and expert workmen on the one hand, and the rich, crowned with the glamor of success, on the other hand—could comprehend these deep subjects. Nonsense! The people have in fact largely relegated the matters of commerce and finance to the rich; but it is high time the people show themselves equal to the occasion, and assert their will, and exercise their greatness in power, ere the fetters with which they are being bound shall be too strong to be broken.

There is not a laboring man of ordinary intelligence and moderate education who may not practically master these questions, and be able to act and vote from personal conviction as to the proper course to pursue. If the over-modest

laboring man would but apply his strong will and vigorous and practical mind to the investigation of these matters, much of indignity, suffering, and oppression would be spared to the present and the coming generations. It is the science of buying and selling, planting and reaping, performing labor and distributing the products of labor, together with the enactment of just laws, and the support of the government.

At the present rate of progress, unless the machinations of the rich men are thwarted, it will be but a few years before the laboring man and his children, throughout the length and breadth of our country, will be bound in the chains of abject poverty.

## IV.

### MONEY.

CIVILIZED and enlightened peoples are active in buying, selling, trading, growing, producing, inventing, and manufacturing useful commodities, creating and developing valuable interests, and devising means of communication, transportation, and distribution of the products of labor. The whole world is busy seeking things necessary for the comfort and protection of the body, or the delectation of the mind, and this activity necessitates a measure — that is, a *scale of value* — to serve as an *index* whereby values may be rated or nominated, so that all men may meet on an intelligent footing, as they come in contact with one another, in the distribution of the products of their labor, or in the disposition of the service of their hands and minds. The words and signs dollar, \$, pound, £, mark, mk., and franc, fr., each of them is such an index.

This measure, or scale, necessarily implies a *medium*, itself valuable, or representing value, by means of which a producer having more of things useful than are necessary for, or desired by, him-

self, may exchange his surplus among others needing them; or, on the other hand, desiring what he does not himself produce, that he may procure the things or services desired, *whereby value may be given for value received*.

This medium is called *money*. Money is the medium of exchange; in its uses—when it is used—it is the test measure of value; in its signs and denominations it is the index of value; in its material it is the expression of value—being recognized as value in itself.

Representative money is, in practice, much more largely used as a medium of exchange than real money, but we have to do with *money* in this chapter, representative money being considered in another place.

Money is prescribed and defined by sovereign power; but of necessity, this must be done following in the line of, and in subservience to, human instincts, caprice, and necessities.

Sovereign power may decree money, but cannot create it. It can, and in innumerable instances has, decreed other commodities than the precious metals to be money; but has ever shown its inability to control the instincts of humanity. Mankind naturally rebels against the use as money of that which does not possess value in itself.

At certain times in the history of the world articles of beauty, as beads, shells, and teeth;

some articles having superstitious value ; things valuable for service, as slaves and domestic animals, and articles of necessity, as cloth, skins, and many kinds of food, have been used as money either by order of sovereign decree or by agreement among tribes or peoples. Specific things representing and recognized as value, were used as tokens of value in exchange, as a dove was the index of one value and a horse of another value.

The precious metals have always been used as the index of value so far as their uses were appreciated and their beauty admired. Human instinct insists that money shall in itself possess true value. It is the operation of the individual mind to gauge and measure value ; all do not measure alike, but it is certain that all men in the least degree civilized, see value in the precious metals.

The history of mankind has demonstrated the problem of money — what it is and what it shall be. The mutations of the centuries have confirmed all mankind as to the fact that the precious metals alone are true money. The discoveries and inventions of the ages have developed no other satisfactory and universally approved medium. It fully satisfies the instincts of mankind, and many believe that it is the decree of One whose laws change not, and who rules over all. It is a demonstration of the law of adaptation, in that they combine the necessary qualities —

great density, divisibility, durability, purity, and resistance to corrosion. All men deem them beautiful; and the uses are almost infinite to which they may be put, for the gratification of humanity, and for service in the arts and manufactures.

By common agreement and affirmed by their universal use as money, the precious metals are the truest measure of value of all commodities, but this value is not fixed and absolute. In detail their value is necessarily a matter of agreement; *i.e.*, how much a certain piece of money will purchase of this or that commodity depends upon agreement, but taken as a whole the value of the precious metals — gold and silver — is comparative, for the gold and silver of the world measures the value of all other things, and this by the expressed will of the human race, illustrated and manifested as often as a bargain and sale — an exchange of values — is made.

In all civilized countries a thousand transactions are made for a money consideration, or upon the basis of money, to one barter transaction, and in most of these barter transactions one of the parties to the barter has an aim to turn the commodity so bartered for into money

The precious metals, owing to the special qualities inhering in them, are the truest measure of value because of their wide distribution

over the whole earth in quantities so limited that it is impossible to produce sufficient to suddenly increase the money stock and thereby disturb values, since the precious metals are subject to the law of supply and demand as certainly as are other commodities. Gold and silver, lawfully coined, bearing the governmental inscription, is *money*.



## V.

### COMMERCIAL VALUE.

WE have much faith in human instincts and intuition, those we find common to all men, as deciding practically that in which the doctors disagree; and we have much faith in practical common sense as indicating the truth.

In the preparation of this little volume we have faithfully studied the mind and heart of the poor. We have done this, since we believe that the natural ability and good judgment of the poor is quite as great as that of the rich, and that, under cultivation, it is oftentimes greatly in advance of, and superior to, that of the rich in those elements which adorn the mind and enlarge the heart, on which true wealth rests as a basis, and upon which the superstructure of our commonwealth is reared.

The sons and daughters of the poor have ever been the greatest lights in the world, and have done most for mankind.

We believe that the genius of the poor, as exhibited in the management of their small estates, and in procuring the necessaries of life, is

quite as brilliant as it is in those who possess riches, and who in the matter of their riches, so far as they themselves are concerned, are but creatures of circumstances, who may perhaps have inherited that to which they have contributed nothing; or who have been so situated that it required no special exertion or ability to become rich.

The honorable and educated poor only lack the power which money in itself affords; their hearts and minds are nobler for the active discipline by which they are exercised from day to day.

We give a definition of value from the mouth and heart of one of the poor to whom we addressed the question, "What is value?"

He replied: "Value is of two kinds, the limited and the unlimited; the limited value is of the kind that may be rated in money, and the unlimited is that which cannot be defined in money."

This reply led the way to a second question, and we asked: "What is money?"

He replied: "Money is property boiled down," and added, "I have learned this by experience."

Our friend's laconic replies comprehended great truths. His first kind of values, "the limited," is but another name for "commercial" values, being, in fact, the relation which things, commodities, or interests, such as are by agree-

ment exchangeable, may bear to each other, as determined in the event of an exchange; the unlimited being those things of value, worth, or merit which, by virtue of their nature, are not exchangeable, or by reason of some inhering quality may not be exchanged.

A work of art may be "priceless," a keepsake may be excelled in value only by the life of the possessor, such being the estimation in which it is held. These things are unlimited in value, and yet may be exchanged; while other unlimited values, such as education and moral qualities, while they may be communicated, and are true elements of *wealth*, cannot be exchanged.

There is much confusion on the part of some as to the meaning of the word "value." It may be correctly used in many ways, and bear as many different significations.

In a commercial sense it is not a matter of worth, merit, or utility; all these elements may be considered in making up an estimation of commercial value; but it is a comparative relation between items of the commodities, or services useful for, or desired by, any two or more persons or parties agreeing.

Commercial value is the result of agreement arrived at by comparison in making exchanges. The purchase price of a thing is its immediate value. This value, as an elemental fact, is not a

fixed quantity except at the time at which the exchange is made. It is changeable, uncertain, and indefinite, and is intensified, diminished, or modified by circumstances, by caprice, and by lawful and unlawful force.

The commercial value of a coin depends upon the strength of man's desire to possess it, and the use he may be able, or thinks he may be able, to make of it. In the use of a dollar agreement fixes its value; the dollar buys more or less as may be agreed upon. In the matter of prices, salaries, or taxes fixed by law, the law enters as one party to the agreement. Lawful taxation compels the payment of a certain quantity of coin; but the amount of taxes does not define the matter of value, except in a nominal manner; for in the one case it may be assessed on the property of the widow and the fatherless, and in another on the property of the rich man — both properties valued alike in the assessment, and in an equitable manner as to current rating of the properties, and yet prove a great burden on the one and not consciously felt by the other; thus the true value of the same coin is unlike in these cases.

A yard-stick is a linear measure, and possesses only the property of measurement. Money is a measure in nominal ratings of value.

Money in use exercises double office work, as measure and equivalent.

## VI.

### COINAGE.

THE Constitution of the United States grants to Congress power to coin money, to regulate the value thereof, and to regulate the value of foreign coins, and provides that, "No *state* shall make anything but gold and silver coin a tender in payment of debts."

Coining money consists in putting the metal into convenient and presentable condition, so that it may be intelligently used by mankind for the purposes intended.

The laws authorizing coinage regulate the value by prescribing the weight and fineness of the metal in each coin, and this is as far as the government can go in regulating the value. The government can determine the value of foreign coins in relation to its own coinage, by declaring the weight and fineness, and authorizing their use according to the quantity of pure metal in them. It does this by ordering a practical test of weight and fineness, and on the basis of such test giving to the coins paying power rated relatively in denominations of its own coinage.

Any inference drawn from the fact of constitutional power granted to Congress to regulate the value of its coinage, implying that Congress can create value, or that Congress in providing our coinage thereby guarantees the power of or value of its coins, is erroneous, except in the event that two or more metals are prescribed as money, to establish their interchangeable and paying relation.

The government cannot create value, but it can prescribe uses, and thus increase value by creating demand, or it can forbid use, and so decrease value by limiting or prescribing demand.

Governmental power is directly limited to the coinage of money. It does not make the value of the coin, but it makes the coin; and in doing this, it does not presume to guarantee the purchasing power of the coin in relation to any other commodity. The user of the coin must take his chances as to that—is compelled to exercise his intelligence, skill, and discretion.

The government simply gives paying privilege to the debtor, and makes it compulsory on the part of the creditor to receive the coin in payment of debts nominated in such coin.

The government may, at its discretion, at any time change either or both the name and weight of its coins. In changing the weight and fineness, the value is regulated.

The coinage laws designate the names or denominations of the several coins, and fix one coin as the unit of account, so that all values may be rated in a common measure, that the people may distinctly understand in their dealings how much of the metal they obligate themselves to pay or receive, as the case may be, in prosecuting their labors, and in the commercial conflict—the business intercourse of individuals in their efforts to gain a livelihood and accumulate wealth, and, in the recurring event of taxes imposed and assessed, how much they shall contribute in support of the government.

Gold and silver coins are legal tender, provided they are not clipped or punched, *i.e.*, provided they are full weight; the quantity of metal is the essential thing, each and every and at all times.

There is something *real* at stake, as we discover in looking into the matter, even though the “wise men” would have us believe that the quantity or volume of real money is of little account, so that the standard is right. What the “wise men” do not say is that the standard is always the highest in the money hardest to procure, and which is consequently increasing in power; all this working to the special advantage of those possessed of large accumulations of money and pledges of money due to them.

The purchasing power of a coin is its *immediate* value; this value is determined by an agreement between two or more persons in the exercise of their judgment as to equivalency, one person in giving and the other person or party in receiving. There is nothing *fixed* in the coin except its weight and fineness. Its value may change a hundred times a day, or as often as it is used.

In certain cases the government does indirectly limit, restrict, or control the office work of money, as in fixing the maximum price of provisions in time of famine, or in limiting the rates of tolls and freights, and interest for the use of money, which on occasion is necessary to be done in order to curb the greed of the rich, to stay the hand of the oppressor; but in relation to its coinage, it does not presume to warrant further than as to the weight and fineness of its coins.



## VII.

### STRICT VALUE.

**I**N order to make plain and simple the relation between property and money touching the general influence of money on all other commercial and industrial interests, we give the following illustration :

Since commercial value is determined by comparison, a strict comparison may be made in this manner :

Let us draw a small circle. On the inside we will place the world's stock of coin.

We describe another circle, in size sufficient to contain the whole earth, that we may take in all the world possesses of that which can be, or which men will allow to be transferred in ownership : houses, lands, railways, steamships, mills, mines, food, raiment, luxuries, diamonds, works of art, including all articles manufactured in whole or in part from gold and silver ; the tangible and remaining products of the labor of all mankind in the past, and the current labor of all men now living.

We stand upon the proposition that the con-

tents of the smaller circle are equal to and the true measure of value of that without the circle—that in fact so far as these things are held for sale, and so far as they are encumbered by debt, the smaller circle is master of all without, and is the dominating power. The solid fact upon which we base our proposition is the universal strife among men for that within the smaller circle.

Now, let a person try this proposition by any possible method, and the result will ever be the same—the preponderance of power obtains from within the lesser circle.

The heart of mankind is fixed on the precious metals. Men will have money. A little money is a necessity, for man in a state of civilization cannot by himself provide all requirements of his condition, but with money he can procure them. A little money serves him well, but a greater portion only whets his appetite; he is never satisfied with sufficient for the necessities of himself and those dependent upon him. Only the poor in spirit seem to be measurably contented with their portion, and with the weight of their purse. The rich never cease to cry for more, and bend all their energies to get it.

Strict value is the relation between the world's voluntarily adopted measure and medium, money, and all other things. The quantity of gold and silver—the world's money stock—governs the val-

ues of the world, modified by man's special tastes, desires, and immediate or anticipated necessities.

Strict value obtains by virtue of the law of proportion which men have imposed upon themselves by the adoption of the precious metals as the measure of value.

This law is ever operative, though it may, owing to the great mass of objects and interests operated upon, be locally and immediately almost imperceptible; but because it is not generally recognized in practice, it does not follow that there is no such law or that current values are not affected by it.

This law is true even though we might allow that the aggregate of estimated and current values exceeded the money stock hundreds of times. It is slow and subtle in its bearing on values, and its operation is not, perhaps, readily discerned, but it is as certain in its operation as any other commercial law, the same being but another formulation of the law of supply and demand. It is largely ignored, but it is certain to obtain general recognition in the near future.

We do not presume that this law has other than a general effect upon the current values of commodities and fixed property, or that strict values can ever be determined, or that it has direct bearing upon any single and separate transaction, for people buy and sell, impelled thereto

by necessity, or in a desire to make gains—having in sight and forming their estimates of value by that nearest to them and most easily comprehended—current values.

It holds a general sway over all values, and it follows that while the property of the world is rapidly increasing, by the development of new interests and enterprises and the enlightenment and civilization of the darker portions of the world, if there is no corresponding increase of the money stock, the tendency of values must be downward. It is well known and admitted that the increase of the money stock is trifling compared with the increase of valuable property.

There is an enormous accumulation each year over and above the amount consumed by mankind and destroyed by the elements. A large portion of the gold and silver produced does not go to increase the money stock, but on the other hand goes to swell the mass of valuable manufactured commodities, the whole of which being measured by the existing stock of coin necessarily gives money a greater work to perform, and so intensifies its power, and consequently tends to depress the value of all other things.

So long as the value of the world's money stock is rated at and assumed to be less than the sum of all other commercial values, just so long will the world's coin grow in power. And, so long as the

world's indebtedness nominated in coin continues to increase, just so long will the strife for the metal grow more and more fierce. We are all now engaged in the occupation of buying coin rather than that with coin we are buying property. By means of our labor we are *buying the coin* with which to procure food, clothing, and shelter.

## VIII.

### INFLATION.

**I**T is necessary to define the term "inflation," as it is widely and frequently used in financial discussions and in the consideration of commercial affairs.

The popular conception of the term is, enhancement of values by reason of superabundance of money, all devices and make-shifts used *as* money, being in this sense considered money; but this is far from being a correct and full definition of inflation, and fails to locate it.

Inflation relates to and inheres in false or representative money, and to property in its current value, the degree of inflation being determined by the difference between its current value, and its value rated in or sold for real money — *coin*.

Inflation, in its true sense, implies the element of fiction in value. There is no such thing as fiction in real money, for this is hard cash, powerful fact, and solid basis, over and about which "inflation" lurks — the ghostly specter of hopes that were vain, of power that was but a desolating flame!

Only desperate emergencies warrant action which may result in inflation. We all allow that it was a necessity during the late civil war to resort to promises to pay, seeing that the war could not be prosecuted without money.

We will not refer to the numerous instances of commercial inflation which have occurred in our own country, or to other nations which have made use largely of representative money, as many of them have done, and are doing at this time; but we will, by way of illustration, refer briefly and only to the gigantic inflation north and south during and since the late war, as brought about by and affecting both parties in the strife, in the use of a vast volume of representative money, *i.e.*, suspended "promises to pay."

The expression "war prices," so commonly used in the past, implied the inflation in values of all kinds of property rated in such representative money, the volume of money largely controlling the degree of inflation in values, but not absolutely, as the prospect of success on this or that side entered to increase or decrease the purchasing power of their respective "promises to pay" used as money. The experience on either side was much the same until toward the end. When it was determined that the South would not succeed, and as a consequence could never make

good its promises, the element of value in their circulating medium was wholly gone.

On the other side, according as the struggle seemed to be favorable to success of their arms, the money in use experienced an increase of value, *i.e.*, of power to purchase; or, the same in effect, the values of property rated in such money began to decline, and so continued slowly to decline up to the close of the war; after which date the decrease was more rapid and permanent, until finally, about fourteen years after, the greater portion of the circulating medium having been either absorbed by taxes imposed by the government, or redeemed by the issue of interest-bearing bonds, and a part having been paid from the surplus in the treasury, the government in the meantime laying by a stock of coin to that end, and having resumed payment in coin, inflation ceased to exist in the representative money remaining, and the treasury notes (greenbacks) and national bank notes were then used and accepted as equal in power to coin itself.

During all this period there was no inflation where values were rated in coin, except, perhaps, as to some articles in limited supply and in great demand, which was more incidental to the fact of the existence of war, rather than to the use of representative money; and excepting always the general fact of inflation as seen by the capitalist



from his vantage ground of observation and power, owing to the great disparity between the stock of real money on the one hand, and the whole sum of exchangeable values, together with the volume of indebtedness on the other hand.

From the well known fact that coin is the *basis* upon which all other values rest, and by which the value of all property is *tried* by parties in efforts to exchange, and *proved* in the event of an exchange of ownership, we safely conclude that there is no such thing as inflation in money itself, *i.e., coin.*

The money stock of the world is believed to have doubled during the third quarter of the present century — 1850 to 1875 — and during the past ten years a large percentage has been added, and yet all this increase has occasioned but a few slight waves from time to time during this period upon the great sea of property values, and so far as it did affect values, *it was ever in the line of benefit to all legitimate industries*, and has given such an impetus to progress in commercial affairs as the world has never before known in all its history.

The clamor of the “wise men” and the capitalists, who prate of the direful effects of inflation, disguising the real issue, intent upon deceiving the people; who distort historical facts, and insist that the use of silver will work inflation, and that

in our own country, restoring silver to its time-honored position is an act of inflation, in so far as they succeed, commit a terrible wrong; but their efforts in the end will be as futile as have ever been the endeavors of alchemists to transmute base metals into gold and silver, and as unavailing as all the laws and devices of man have been to permanently supplant, or to supply money other than gold and silver. They must first change the natural instincts of mankind.

We have thus shown the popular misapprehension as to inflation, and have intimated as to the designs of those who, knowing the true meaning of the term, yet use it only in its popular import for the purpose of overawing and deceiving the masses who too generally pay but little attention to the fundamental principles upon which our financial and commercial superstructure stands. We consider this matter of deception more fully in other chapters.

We have herein laid down the proposition that inflation implies the element of fiction in value, and now we are prepared to define with exactness wherein the fiction lies.

Inflation is actual error made in estimating values, as between the money stock and all merchantable commodities and exchangeable interests.

Let us make a practical test of this matter. Having a superabundance of some specified prop-

erty, or having imperative need of money, go to the rich man and try to exchange your property for money. We assume that such property is something outside of his immediate physical necessities. He will examine the property deliberately and estimate its value. He esteems it of value only in its capacity to gain money in return; money is the ultimate object. He will consider the uses to which the property may be put, and the chances of exchanging it for other and more desirable property. You tender the property at a value named, but he keenly discovers that the value you put upon it is inflated, exactly how much he may not know, but he states the value at a venture, as his mind cannot take in and comprehend the whole world of values, but he regards his estimation as safe, and with your consent the exchange is made — on his terms.

It may be from your standpoint and in your estimation a very great sacrifice, but that element, special value to you, does not enter into his calculations; he takes your property that he may gain more money, and by the transaction you acknowledge that money is master of the situation. Money was scarce, no inflation in it, but by your concession you admit that your property, rated in value as you had it, was inflated, and the rich man determined the degree of inflation.

We think this most ordinary illustration dem-

onstrates the fact of inflation and locates it, and, as well, shows who had the power to decide the matter at issue — the amount of error or fiction in the value of your property.

This demonstration may not be satisfactory to the “wise men” and the rich men, but it will certainly satisfy the poor man who has made such a test.

## IX.

### A PLETHORA.

THIS is a very prominent and popular word at the present time, and greatly in use among bankers, and especially among the "wise men," in discoursing upon financial and commercial topics, which as a term is used to describe certain conditions of the money market.

Money is the *blood* of commercial life, and this word is used to designate fullness, or an overloaded condition of the commercial body with the vital element.

It is well known that our commercial interests have suffered fearfully in times past, and that great misfortunes have come upon the people by reason of too much money—*such as it was*.

A concerted effort is now being made by the "wise men" and the capitalists to decry and berate silver, intending evidently by this means to browbeat the people. One of the most effective, and withal, dishonest practices is to represent that the continued coinage of silver will result in a "plethora" of money, represented by them as a condition certain to result in disaster.

It is a delightful theme for the rich men to tell of the plethoric condition of the treasury vaults literally overflowing with silver "which the people will not touch," which as fast as it is coined and issued, is thrown back to the keeping of the treasury department, and so proving itself to be a great burden, and requiring the construction of new vaults in which to store it.

The "wise men" expatiate on the insane folly of the "silver inflationists"; of their stupidity and ignorance, and of their malice and culpability in desiring to cheat, defraud, and injure their creditors.

We have made very diligent inquiry as to the calamities so surely to come upon us by reason of the continued coinage of silver, but the prophets of evil altogether fail in definite response. We have often denied this positive assurance of evils to come, and demanded to know what we will be subjected to, but the issue is invariably *dodged*, while we are able to give assurances of great blessings to result from the restoration of silver to its time-honored position.

The wise men and the rich men ransack the whole world for excuses for their dishonest words and mean thrusts. We notice some of these excuses in other chapters.

There is no such thing, and in the nature of things there can be no such event, as a plethora

of real money. There never has been and there never will be.

The "wise men" may ridicule this statement; the rich men may rage at the impertinence of it; but, nevertheless, it is *truth*.

Silver is every whit money as truly as gold is money, and the rich men will do well not to forget this fact. It does not rest with the rich to say what shall be money and what shall not be money.

Plethora can no more exist in relation to a community, state, or nation than it can to the individual citizen. When a person is discovered who will allow that he is possessed of too much money, then we may know that a genuine subject of plethora has been found. The same is true of nations.

Plethora can only be produced by over issue of representative money—"promises to pay." There is no danger of getting too much of the real stuff. We may have, and sometimes have had, too great a volume of make-believe money as our circulating medium, but whether or no such a condition obtains at this time we discuss elsewhere; we desire in this chapter to point out the sophistry and miserable hypocrisy of the cry of "plethora."

There has oftentimes in the history of our country existed a plethora of bank notes, embrac-

ing many kinds and qualities of paper secured and unsecured, all of which is make-shift money, and which occasioned enormous losses to the people, for the reason that they were "promises to pay," and in the course of human events *pay day came*. But that is all past, our people have learned wisdom and will have no more of it. We have to do with the present and to prepare for the time to come.

Plethora, as an element of danger, can only exist by reason of a superabundance of *credit money*.

We will note some of the signs and development of a plethora. After a season of expansion and inflation, when the dealer in merchantable goods, the broker, and the stock jobber lessen their activity and take a breathing spell, loanable funds rapidly accumulate in the banks. The manufacturing industries by reason of lessening demand for their products, are depressed, and as a consequence they draw less on the loanable funds to carry on their business. Other branches of business are affected in the same manner and have occasion to use less money — all tending to increase the stock of loanable funds. Currently with the glut in the banks, all values begin to decline; when there appears to be plenty of money to buy with the buyers seem to be few. At the same time wages are necessarily on the



decline and many workers are thrown out of employment. At such a time loanable funds literally go a-begging for borrowers with good securities, and this is a "plethora."

Next in order, the press and the wise men begin to write of, and publish as to the "disturbing causes," "over-production," "depression in business," and quite as often as any way, go far from home to find causes for the dull times and general stagnation in business; and the farther away they look for causes the wiser they seem to consider themselves, and too often the people are disposed to yield recognition and too ready acceptance of their profound conclusions.

In the meantime all buyers come more than ever to distrust current values; prices largely decline, and people discover an immense amount of inflation; dealers see it in values of all kinds of property, and creditors see it in the notes, bills, bonds, and stocks they hold; then capitalists, after hearing a few small commercial explosions, perhaps hear of greater ones and begin to distrust their own judgment and the methods and practices of those with whom they have to do; they scan their securities, and commence a thorough investigation of the standing of their debtors; they are taken with an intense desire to sell out and to collect in, that they may realize their gains; everybody is notified to pay up; the cry is "hard

times," and lo! the plethora is succeeded by a *panic* and money is in demand.

At such a time money means the *metal*; money is the saving element lacking all the time—too little *real money*; and now what little money there may be in existence can hardly be found; demand for it, made at the banks with securities ever so plentiful fails to draw it from its hiding place.

The instinctive attachment of humanity to the precious metals is marvelous! The stock of gold and silver coin is the safety fund of each individual and of every nation.

The wise men, who by the cry of plethora think they can frighten the people and coerce them into believing that coining silver is a sure precursor of disaster, might as well and with as much hope of success try to make the poor believe that the scarcer money is, so much the more they will be able to earn, and, over and above their current necessities, lay by against the time to come; and that if they would only let the rich dictate terms and conditions without question or dissent, all parties would be the better off.

The workers have ever seemed to be too ready and willing to do this, but the time has come for the poor to act for themselves and in their own behalf.

## X.

### A CORNER.

IT may not be very clearly apparent how modern systems of communication, transportation, and methods of transacting business tend to the centralization of capital and to unifying its power.

We will briefly illustrate this by a hypothetical "corner" in corn on the Chicago Board of Trade.

United accumulations of capital have been the means with which great lines of railways have been built leading out from Chicago into the great grain fields of our continent; many vast store-houses have been erected there to hold the products of the fields during the process of sale and distribution. The cattle, sheep, and hogs from ten thousand hills and valleys concentrate, by means of these railways, at this great commercial center, to be prepared for use as food, and the products are sold on the "Board."

These packing and grain houses are far more extensive than were dreamed of by the most visionary enthusiast of fifty years ago. The accomplishment of these things would not have been possible without the united capital of many per-

sons brought together in corporative capacity and used to this purpose. We need not amplify as to this matter. The greatness of the commerce of Chicago is on every tongue.

There has been quite as marked a change in the methods of conducting the commercial business of this distribution as there has been in the mechanical part of it. One person or firm now deals in and handles a thousand times as great quantities of produce as formerly; thousands of firms are directly or indirectly represented on the Board, and many thousands of dealers scattered over the length and breadth of the land are, by means of the telegraph, in almost instantaneous communication with the members of the Board.

Transactions upon the Board are done in the most perfect order and under the most thorough system of business rules, notwithstanding its apparent confusion and disorder; values of products are so accurately defined and closely watched, that a cargo or a hundred or a thousand car loads of grain are sold at a word, or by a signal when there are so many voices the word cannot be heard.

It has come to be the practice also to sell for future delivery, and a large portion of the transactions are in "futures." There are very many elements of uncertainty entering to change and disturb the value of the products marketed there;

the purchase price of the moment of any product may widely differ from its value ere the day or the month closes, or during the next month ; and the contract price may resolve itself into a **revelation** of great loss or profit when the purchase is made to provide the grain for delivery.

Commercial skill consists in buying and selling on comparison and personal judgment of these uncertain, incorrectly estimated, and unknown values, in the items making up the commodities marketed on the Board.

The hope of gain in making a more nearly correct estimate of values is the inducement for individuals to try their skill in predicting and anticipating prices.

Millions on millions of *units*—bushels and barrels of commodities—are bought and sold without desire or expectation of seeing or handling the commodities; the resulting gain is the desired end and object.

A few capitalists, seeing their opportunity, enter into combination to “corner” the market.

They select a commodity which they believe will prove to be a good “purchase”; they labor in secret and lay plans to make great gains ; careful estimates are made of the stock in store at home and at all accessible points ; they estimate also the amount reasonably to be expected from

the various sources of supply under pressure of increased demand and higher prices.

The plan of the campaign being, as they think, well laid out, brokers are commissioned to gather in pledges or contracts for the delivery of the commodity, which we will assume to be corn. The operators and traders are brisk and lively, all anxious to sell, and under the influence of the general contagion obtaining, assisted by numerous hints and "points" from the wise ones, and perhaps some advance in prices, they sell freely; the friends in the country get the word and readily contribute their quota to the pledges. In the meantime the syndicate has practically secured control of the stock of corn in store.

Having secured pledges for the delivery of corn, several times greater in quantity than the amount in store, or at least in sufficient quantity to serve their purpose, the syndicate order their brokers to secure all the corn offered for delivery within the time in which the contracts mature; the demand suddenly increases, and those who have sold for future delivery are now contemplating in a very active manner how and where they may obtain the corn with which to fill their contracts; the order of the syndicate being imperative to secure the corn, its value rapidly advances. They are masters of the situation; they fix the price to suit themselves, and those who have contracted to deliver

the corn are fully in the power of the syndicate. Our people stand now in exactly the same relation to the capitalists as do the traders on the board to the syndicate—we are in their power; we have been turning out our promises to pay at a lively rate, and to an amount twenty times greater than our stock of coin—the commodity which we have promised to deliver. Now the question is, where are we going to get the coin? We are not required to be exact in our estimates; the amount of our indebtedness can only be approximated. In order to make a just estimate it would be necessary to consult the public records of every county, city, and state, and the books of every business man, firm, and corporation in the United States; but all will readily admit that our stock of coin is but a small fraction compared with the net aggregate of our indebtedness, even after all due allowance is made for offsets and current liquidations.

Coin is but a commodity, no less and no more so than corn. The debtor has to make good his pledges to deliver the metal. If he has not the coin he must buy it; he must sell his property to provide the coin; must turn out his property to pay the debt.

The rich men well understand the present situation, and they are no less liable to take advantage of the situation than is the syndicate above

described. They are after money, and they will make it if they can; and we are feeling the pressure now.

The money power is striving for an absolute mastery, and with a cessation in the coinage of silver, which this power now arbitrarily demands, and a little further concert of action, they will have things all within their grasp, and will be able to exercise full control. The only mitigating circumstance of the present situation is in the fact that the time of payment is not fixed on a day, but is extended over a period of years; but the outcome is inevitable; our debts must be paid, and we modestly suggest to those who have pledged the delivery of dollars, You do not know that you have anything so long as you are in debt. You may be in temporary possession of a homestead, a stock of goods, a shop, or a farm, but a pressure is being brought to bear upon you which is as terrible as any engine of cruel war. It will overrun and crush you unless you get out of the way.

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## XI.

### CAPITAL PLENTY—MONEY SCARCE.

IN all the history of our country, money has never been cheaper than at the present time, in the rate of interest at which it may be obtained, *on the basis of satisfactory security*; and within the present generation money has never been so dear as at the present time, in the necessity of making great sacrifices to obtain it, by the sale of property, and in the portion of labor necessary to earn it.

Rates of interest have never been lower, but this fact does not prove that money is plenty; but in the present condition of affairs it does demonstrate that *money* is scarce.

In order to attain a proper understanding of this matter, all should remember that what is ordinarily termed "money" in the commercial and bank reports is, for the greater part, bank credits and debt inflation. When it is said that "money is plenty," "the market is easy," or that the banks are "overflowing with loanable funds," it means simply that deposits in bank are large, and that the banks are having limited requests

from borrowers for funds to carry on their respective lines of business. Bank credits and debt inflation are not *money*.

The present hard times have not been brought about by what is popularly known as a contraction of the currency — by reduction in the volume of bankable funds — but because capitalists are determined that the true circulating medium, real money, shall be reduced or limited to gold alone — that they will force it into contraction.

At the present time it is a matter of dear money at the expense of all other values. The capitalists see such a vast amount of inflation in all values, they do not wish to purchase any property, but prefer to hold their means in hand, idle. They now see their money growing rapidly in power even while it is idle, and this more rapidly than it would increase at ordinary rates of interest, *i.e.*, they know the best investment they can make of their money is to keep possession of it, or put it where they can recover it again at call, or put it into such securities as can be converted at an hour's notice, even though it be at a very low rate of interest.

In many localities property has depreciated from twenty-five to fifty per cent, and this means that if general values have fallen off twenty-five per cent, the dollars are thirty-three and one-third per cent greater, and where the depreciation has

been fifty per cent, the dollars have actually doubled in purchasing power. No wonder that there is a "plethora" of money — that capital is idle!

We submit no statements of our own as to depreciation in values, but leave the reader to judge of this matter by a comparison of values in his own locality, in sales actually made at this time, and former current values.

The capitalist knows that with the present amount of indebtedness outstanding, there is not real money sufficient to do the work of liquidation and allow current values to be maintained. And some of them know that were the interest on the present volume of indebtedness required to be paid in gold alone, the whole stock of gold coin would be exhausted by the payment of one year's interest only!

We beg the reader not to condemn this as a wild statement, but to investigate the facts, and see how nearly correct the statement is. Ten thousand millions of debts, averaging five per cent interest, would require five hundred millions of gold coin for payment of one year's interest. The capitalist knows that treasury notes and bank notes, of which we are using about six hundred and twenty millions, are not *money*, but are simply promises to pay coin.

The capitalist knows that the commercial com-

munity is indebted to the national and private banks in the sum of three thousand millions of dollars, and that the bank credits, about two thousand millions, are largely made up of credits held against this indebtedness; or, in other words, that bank credits are an uncertain element, and liable to vanish like a mist before the sun. That there is about twice as much banking capital as there is coin in the country, and that within ten days' time the banks could gather in all the available coin, and leave the people moneyless — stranded high and dry; that in such an event, those who held the pledges of the United States and of the several states, and mortgages on shops, farms, and railroads, would be masters of the situation, or, at all events, would be on top.

The fear of such a contingency is the reason why the state of Connecticut is able to place a three-per-cent loan at a premium, — that the subscribing capitalists prefer the pledge of the state at less than three per cent rather than a bond secured by mortgage on separate items of property at a much higher rate of interest.

The only reasons preventing the banks and capitalists from acting upon their present opportunity to control the available gold coin by presenting the treasury notes for redemption, is their conservatism and the fear of disaster, and the power of the government to turn out to them the

white dollars. But nevertheless, this is just what the capitalists are gradually working up to, and were it not for the presence of the white dollars in the treasury, the people would to-day be wholly at the mercy of the capitalists. The capitalists do not want the white dollars. It is not for the reason that they are not money, or that they are bulky—the capitalist does not want gold to carry away in his hand, for in receiving it in any considerable quantity he does not handle it himself; the fact of bulk is but a thin pretext; he can handle silver as well as gold, and if he is possessed of it, he is abundantly able to handle and store it (the poor will shed no tears over his want of storage capacity), but he does not want it because it defeats his plans—*it breaks the corner.*

The trouble in business and commercial affairs at the present time arises from debt, inflation, and a scarcity of coin with which the debts may be liquidated. It is the consciousness that many will not be able to pay, that the volume of indebtedness is too great, that the water must be squeezed out of stocks, bonds, and securities of all kinds, and that values must be readjusted on the coin basis; the capitalist desires that this shall be on the basis of gold coin, and the people say if it must be so, it shall be on the basis of gold and silver.

The present depression is not occasioned from

the fact that capital is not abundant. There are untold millions of capital accumulated, the bare income from which, aside from this capital itself, if it were set properly in motion by investment to such end, would make the hives of industry hum again; but capital seeks *safe* and profitable investment. It does not feel safe now. It proposes to make a sure thing for itself, *or do nothing*.

In considering the present issues, it is necessary to observe the grand distinction between money and capital.

Money is capital, but all capital is not money. The income from capital for the most part is received in money; but the great bulk of capital, outside of real and fixed property — farms, lands, and improvements — exists in the form of interest-bearing securities, mortgages, written and unwritten, on states, cities, corporative properties and farms, and firms and individuals, all of which property capital is rapidly absorbing, by virtue of its inherent power to perpetuate itself.

~ The amount of capital is simply enormous and rapidly increasing — so great that our minds cannot comprehend it; the amount of money is very small, a bare fraction of the accumulated capital; and, as we have shown, a strenuous effort is being made to limit and lessen the amount. Only limit the amount of money and the work is done; it will have a constantly increasing work to perform;

values of property will go down, *down*, and wages will grow less and *less*; those who have little will consume all they have, and those who have much will have gathered it all in. Under the present condition of affairs this is the inevitable outcome. Those only who have houses, lands, and property in their own right, free of debt, are on the safe side.

We have seen the day when we as a people had no money — when we did business altogether on the presumption that some day we would have money; we became infatuated with the idea that we could always do business without money; the “wise men” told us we needed only a little money to make the money “denominations”; that money was a “measure merely”—that “credits” would almost altogether usurp the place of money. We have continued our work on the credit plan, have been buying and selling and issuing our promises to pay, in the aggregate more than we can tell or comprehend, pledging ourselves to deliver the metal; and now the metal is called for

Is money plenty, or is it scarce?

## XII.

### DEPRESSION.

**I**N our definition of "strict" value, we have laid down the rule of proportion, as the law governing prospective values, and affecting current values in a tendency to depression. We have also intimated the advantage obtaining in holding secured evidences of debt rather than other items of property.

This law is expressed in the want of acknowledgment on the part of capitalists of current and rated values of property—in the want of confidence in these values, when it is desired on the part of property holders to sell or to borrow money on their property.

Capitalists require first-class and improved property, yielding an income, and they will take it as security for money loaned under this advantage at but about one-third—not of the rated, but the cash value, appraised by disinterested parties; and after this precaution, make the principal sum mature with default in the payment of interest, and, as well, require the improvements on such property to be insured during the term for which



the money is taken, with loss, if any, payable to the creditor.

It will readily be admitted that real property, with good improvements, producing income, ranks first in the list of desirable properties, and, in illustration, use is made of this, the best of property, to show the working of this law

Capital, from its vantage ground, insists upon the fact that values of real property are inflated, and in every instance it gains submissive obedience to its behest, where the owner of the property must have money. Capital always dictates the terms, and always rejects current and rated values on all kinds of property, and it does this in recognition of the law of strict valuation. The power of capital is exerted in the line of depression — it buys in the cheapest market, whether it be of man's labor, the product of man's labor, or the material things by which his labor is utilized. It greedily takes advantage of men's necessities.

It lends its own only upon the pledge of the most desirable and permanent property, or those things most immediately and certainly needed for the use of mankind, and then only at a large concession from current values. Money cannot be borrowed on perishable property without additional guarantees.

To guard against the ordinary fluctuations in current values, or the possibility of destruction,

does not account for this discrepancy—there is a law governing it.

It is not enough to say that in the management and use of properties the owner has a compensation in liability of greater gains than the capitalist has on his part, in lending his money, his income being determined, or intended to be absolute and positive; for positive income overreaches and outgains any hazardous income.

When it is admitted that gold and silver, or either of the metals duly coined, is not absolute in value, and is subject to change in purchasing power, the law of strict valuation is implied; and when it is admitted that gold and silver alone are money, and that money is master of the whole world of values, to which proposition most persons seem to agree, the law of strict valuation is a necessary conclusion, for the reason that the changes in purchasing power must be in relation to the whole mass of valuable things, or such portion of the mass as the purchaser can see, or has any practical and particular knowledge of.

Because men are not able to comprehend values in their entirety, and correctly in detail, does not militate against the law; for each person does his best to work out the problem, and he ever strives to exert the greatest power possible in relation to the whole world of values by *selection* in the use of his money.

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Many of the creditor class, while they hold great sums in evidences of debt due to them, also have large holdings of property other than money and credits. These persons do not generally hold property not paying income longer than is necessary to dispose of it; and their estimation of the value of such property is in the amount of income derived from it, as compared with the income from the sum at which they rate it, duly invested in mortgages or other evidences of debt. When it falls below this mark it is for sale, unless it is believed to possess some prospective value not yet realized; so that because the creditor class hold properties the value of which, under the rule of strict valuation, is known by them to be inflated, it does not work a negative to this law.

The fact is, that generally, persons possessed of large means reduce their property to interest-bearing securities; they want a sure thing—money—or a safe investment which will bring *money*, the only certain, the steadily appreciating, and most permanent of all property. They well know there is no inflation in money, although they see it in all other properties.

At this time everybody having property not needed by them to serve their comfort or pleasure, is making an effort to reduce the same to money, or is awaiting an opportunity to do so; and a buyer being found with a sufficient cash

payment to protect the seller from any immediate effect in the operation of the law of strict valuation, the property is converted into an interest-bearing security.

Because persons who well understand this law determining strict value continue to buy and sell, and with the utmost nonchalance issue their promises to pay, this fact does not negative this law, for they do so at a venture, believing that in good time *they* will be able to cover their indebtedness, and close the business at a profit. They calculate their chances and lie in wait to take further advantage, hoping to increase their store of dollars.

They are impelled to this, thinking the day of reckoning is far off, and that most people, and many of the rich, do not comprehend this law, but believe that the barest fraction of coin is necessary and that things will always go on as they have done; or, in other words, each man seems to think he has the secret largely in his own keeping.

The capitalists are skulking behind the hedges, keenly watching the movements of the commercial, trading, and laboring world, and studying how best and most safely to themselves they may entrap and take in their game; the creditor class of capitalists depend most largely on the "scarce money" trap, and insist on doing business on a

"gold basis"; and too many of the manufacturing capitalists are more intent with an eye to their own gains, in their efforts to discover how the lines may be drawn more closely about the skilled artisan and the wage-worker, than they are to do justly by them.

It is high time that the citizen of modest and limited means and the wage-worker were looking to their own interests in this regard. We insist that fully nine-tenths of our citizens will consult their direct pecuniary interest in countermanding the edict, "silver must go"; but each person must determine for himself whether depression in business and all industrial pursuits is better than good times and general prosperity.

The working of this law is so depressing in its effects that in our own country at the present time only in extremely rare instances may be observed any increase of commercial values, as perhaps in real property in favored spots affected by local changes and improvements, and in the desirable lands on the western border now so rapidly being taken up and improved.

It is vain to expect better times if we allow ourselves to be put on a "gold basis," or allow the coinage of silver to be discontinued.

Our natural and assured increase of population forbids the coming of better times, and the law of proportion forbids it, and stands in defiant atti-

tude, threatening the masses in this country and in the whole world, look where you will.

The only possible relief under our present condition is by an unexpectedly large increase in the production of the precious metals.

We now find ourselves in the position where practically the coin is demanded by the creditor, and where sales of property must be made on the coin basis. We are in such condition that the issue of more promises to pay — greenbacks and bank notes — would more tend to increase the plethora than to afford relief. Any possible relief from such source would be momentary, just as it would be with the individual in taking up an old I.O.U. by the issue of a new promise to pay, increased in amount by the interest on the old debt.

Such relief is disastrous in the reaction. The relief for the people as a whole is only to be found by increase in the true money — coin — and for the individual to pay up as fast as possible. And the question now is whether or no we as a people, a nation, will utilize what we now have and can readily obtain, or will allow the rich men to put us on a coin basis consisting of gold alone, and thus deprive us of half of our natural, constitutional, and rightful means of payment, and the life-blood of our industrial activities.

### XIII.

#### PAY DAY.

THE past fifty years have revolutionized the commercial affairs of the world, and have in many respects changed the conditions under which business is transacted, and the relation of the masses to, and of participation in, the prosecution of business.

During this time all our railways and telegraphs have been built ; steam navigation was then in its infancy ; now fast ships plow every sea and ocean, and gather and distribute the manifold products of all the nations of the earth.

The genius of mankind has wrought out wonderful inventions and devices and methods of commercial dealing and manipulation of credits, quite as revolutionary and astounding to contemplate as our modern means of communication and transportation. Time and space seem to be as nearly as possible annihilated; we speak and print by lightning, and we go ourselves and carry the products of our labors with a speed and facility hardly dreamed of fifty years ago.

We have strained the system of credits to ex-

treme tension; the parts are now separating. There has been violent action in *expansion*, and it is certain that there will be correspondingly violent action in *contraction* of credits. This is a natural and reasonable conclusion — where there is action there must be a reaction.

To-day an organized company of men have a thousand times as great power to inspect and compare the whole world of values, as was possible then; this may now be done at a simple glance and with a single eye, *to one end*; we all have some understanding of the disposition manifested on every hand to consolidate and centralize interests for a set purpose.

By means of these credit devices great advantages have been had by capitalists, colossal fortunes have been accumulated, and, as we have already shown, power represented by capital has been concentrated in the few, and these few have brought the accomplished fact to our notice, that the world's money stock has been and is now cornered over and over again, is compassed about with a net which will surely take it in — or control it (the same thing practically, and what they desire rather than the immediate possession of the metal).

The money power is now the practical element, and what was not formerly possible — to bring a force to bear to depress all other interests, at the



behest of this power — is by reason of these great commercial facilities, now thoroughly practical and being done.

The genius of this power — *monopoly* — is to aggrandize itself at the expense of all other interests.

It is a fact admitted by all that the money power already determines the course of nations against nations in the matter of engaging in war to protect the rich and save them from losses in money lent; and nations are prevented from going to war lest the interests of the rich should be prejudiced, or because the rich will not furnish the money to carry on the war.

What we contend for and believe is that we have already entered upon a new era in our financial and industrial history. We have been passing through the era of inflation, and we are beginning seriously to consider the situation and watch for the outcome.

Capital is more than ever before giving the closest scrutiny to all credits, and looking more intently than ever as to the collaterals and securities upon which these credits have been granted, and new credits are given only on *absolute* security; and, this being the era of liquidation, it must of necessity be an era of depression.

We have shown how enormously credits have been extended and suggested as to the extent of

the present inflation; and we insist upon it that the capitalists know full well as to the power of the dollars they hold, whether they be in the metal itself or in notes and bonds promising the delivery of the metal.

These gentlemen are not "playing for fun." They know the distinction between the metal dollar as a "measure" and the yard-stick as a measure; in the matter of gathering in their dollars, they are in dead earnest; and seeing that the Shylocks "mean business," it will prove a wise precaution on the part of all those in debt to look about them and see where the metal is coming from.

A great majority of our people are loaded down with a burden of debt. It will be hard and trying times for debtors, and as to the poor, it is bad enough now, and we leave the reader to anticipate their condition in the time to come.

Liquidation will be voluntary, and as immediately accomplished as may be consistent and possible, on the part of those who are wise and able to pay their debts. It will be compulsory on the part of those who put off the evil day, and run the risk of continuing in an extravagant or needlessly inflated condition.

The Shylocks will have the coin, or they will have property at their own prices—at values fixed by themselves. There is absolutely no

other alternative, unless they change their minds, and arrive at the conclusion that the precious metals are of no account; and as to that, we can only determine what men may do by what they do now, and what they have done in the past. It is simply a question whether the debtor has the coin, or has property with which he can buy it. The coin is the *sine qua non*.

Let no "wise man" say that this present dominating power will not exert itself in the line of depression. It will not avail; only those who wish to believe it will not so depress will agree with them. The poor, the masses, have learned by experience that capital is selfish, grasping, and cruelly mean, and never is or will be satisfied. A poor man may be, and often is, well nigh satisfied and contented with modest means of subsistence, aspiring only to physical comfort and limited means of usefulness; but the rich, those who do not convert their riches into *wealth*, are never satisfied.

The present depression in business, in industrial activities, and in values of property is the result of many causes, among which are: (1) The efforts made by the people to reduce their burden of debt. (2) Their general admission that they have no use for so much property now as they formerly had. (3) That the rich want money rather than property; that those who are able to

purchase have no faith in current values. (4) That the poor are not able to buy. (5) That all people have made the discovery that they can get on with less furniture and clothing, and live on plainer food, and that less expensive recreation is most suitably appropriate these days.

The "wise men" may theorize and philosophize, may discuss the matter of "over-production," and the "wicked antagonism of labor against capital," the necessity of a "higher standard of commercial morality," but we state the situation as a whole and in few words: *The people have been playing "loose" with credits, and capital has got them "fast" in pledges, and the screws are being turned down.*

The process of liquidation will go on until we have a closer approximation to strict values, and many who now believe themselves to be rich will be poor indeed; will *learn* that instead of being rich, they were only somewhat inflated; will learn the difference between the control of property by virtue of being permitted to occupy it, and the occupation of property by virtue of the ownership of it.

Some of those who now consider themselves as being poor, though possessed of means sufficient to provide a living, but without debts, will be well off compared with many who now assume to be rich; and the very poor will be mercilessly

ground between the upper and nether millstones—the upper stone being dear money, and the lower stone, little work and less wages.

And when the process of liquidation has gone on a little farther, and these dollars, all having been so easily promised to be paid, are found to be so hard to get, and when it will be discovered that they are so scarce, after current expenses of living are paid, even by living ever so closely, that to accumulate and lay by for emergencies, misfortunes, sickness, and old age, will be next to an impossibility, many who now join with the rich in the cry for a “gold dollar,” and an “honest dollar,” will be perfectly satisfied that they are doing full justice in payment in tendering the dollar of the people—the dollar given us by the fathers, made of the metal which is the world’s money, and is, in every respect, the same to-day that it ever has been, the *true dollar*.

## XIV.

### THE DOLLAR.

IN all the history of the world's coinage, no coin bears a more honorable part than the *dollar*. It has ever done a worthy service. It has a history of several centuries, and we offer a few leading historical facts in order to show what it has been and is now, these facts being an absolute necessity to a correct understanding of the matters at issue, so vitally affecting our common welfare. It is all written history, free from assumptions and uncertainties.

The dollar of the United States of America has ever been the synonym of truth in weight and purity. The inhabitants of our own continent, of Europe, and of Asia, all alike ascribe to it this honorable record. It is part of and inseparable from our national history.

The historical dollar is the silver dollar. It was the coin in most common use when, in 1785, one hundred years ago, the American Congress adopted it as the unit of account. This dollar was the Spanish milled dollar. Much of the coin then in use was clipped and worn; the milling

was a device to prevent clipping, thereby giving the people a standard, full weight—a true dollar. This antedated our own coinage.

The Mint Act of 1792 was the establishment of our coinage system. It confirmed and perpetuated the standard of 1785. This standard was received with universal approval. General Washington not only approved the act, but had given his indorsement to the memorial of Mr. Jefferson which led to the adoption of the silver dollar unit in 1785. Alexander Hamilton also heartily approved this action, and did efficient service in the work of inaugurating our coinage system.

This unit of money, the silver dollar, contained  $371\frac{1}{2}$  grains pure silver. As it is coined now, it is the same that it was then in quantity of pure silver; the quantity of alloy, base metal for hardening the coin, has been changed. Until 1837 the exact weight of the dollar was 416 grains, the difference in weight being in the quantity of alloy. The weight since that time has been  $412\frac{1}{2}$  grains, made up of  $371\frac{1}{2}$  grains pure silver and  $41\frac{1}{2}$  grains copper as alloy, the coin being “nine-tenths fine.”

The act of 1792 also provided for the coinage of gold on the basis of weight in the legal relation to silver of 1 to 15, which legal relation was thereafter changed, the *governing unit* being the standard silver dollar, the several gold coins being adjusted thereto and determined thereby.

The silver dollar continued to be the unit of value until the act of February 12, 1873. This act, commonly called the Demonetization Act, provided that: "The gold coins of the United States shall be a one dollar piece, which at the standard weight of  $25\frac{8}{10}$  grains shall be the unit of value," and "The silver coins of the United States shall be a trade dollar, a half dollar, a quarter dollar, and a dime," providing also that "No other gold or silver coins" shall be issued, except as set forth in the title; and "The gold coins of the United States shall be legal tender at their nominal value," and "The silver coins of the United States shall be a legal tender for any amount not exceeding five dollars for any one payment."

This act deprived the silver dollar both of its legal tender quality and its unit of value quality, and transferred the latter quality to the gold dollar. It also abolished the old silver dollar, by making no provision for its coinage—by simply dropping it out of the list of authorized coins.

In February, 1878, the white dollar was partially restored and rehabilitated by the act of Congress commonly called the Remonetization Act, whereby silver dollars of  $412\frac{1}{2}$  grains standard silver were authorized to be coined in a limited amount, not less than \$2,000,000 worth per month, nor more than \$4,000,000 worth per



month, "which coins, together with all silver dollars heretofore coined by the United States of like weight and fineness, shall be a legal tender at their nominal value for all debts and dues, public and private, except where otherwise expressed and stipulated in the contract"; thus giving the white dollar equal paying power with the gold dollar, but leaving the gold dollar as the unit of value.

The act of 1792 authorized the coinage of eagles, half-eagles, and quarter-eagles, containing  $24\frac{1}{2}$  grains pure gold to the dollar, this being, as before stated, in the ratio of silver to gold as 15 to 1. Owing to the poverty of the country, and the fact that this ratio of coinage was more liberal in the weight of the gold coins compared with the ratio in most other countries, viz.:  $15\frac{1}{2}$  to 1, the amount of deposits at the mint for coinage was very small, and we were unable to retain in service even what had been coined.

In 1833 the Secretary of the Treasury reported to Congress that up to that time there had been less than \$12,000,000 gold coin minted, and that there was then no gold coin in circulation. The country was wholly dependent upon its silver coinage and foreign coins. The policy of Mr. Jefferson had been continued since 1809; he had peremptorily ordered the silver coinage to be confined to fractional coins, that the people might be

the better served thereby, and not from any hostility to the dollar itself, as has been within the past few years so often asserted by those opposed to silver.

In 1834 the weight of the gold coins was reduced to the ratio of 16 to 1, equal to about six per cent less of gold to the dollar, bringing the ratio down in gold and up in silver, so that our ratio was about three per cent less in gold to the dollar than the European ratio of  $15\frac{1}{2}$  to 1, whereas before our gold coins had been overweighted about three per cent. Subsequent experience has shown this over-reduction in the weight of our gold coins to have been advantageous to us, even though it was the occasion of some annoyance in later years through the consequent loss of a portion of the silver coin which had been in circulation.

It had the effect of retaining a much larger portion of the California gold product than would have otherwise remained in the United States. Largely increased deposits were made at the mints, and *coin* made its appearance more largely in circulation, and gave such an impetus to our industries that while our increase in population from 1850 to 1860 was 29 per cent, our increase in material wealth was 127 per cent.\*

\* The valuation of property by the census of 1850 was \$7,135,780,000.

“ “ “ “ 1860 “ \$16,159,616,000.

The population in 1850 was 23,191,876; in 1860 it was 31,443,321.

In 1839 the coinage of silver dollars was renewed, and continued each year, except the year 1858, until 1873, at which date the white dollars found no place in the list of authorized coins at the mint.

In 1849 Congress authorized the coinage of the gold dollar, "conformable in all respects to the standard of gold coins now (then) authorized by law," which is the first authority for, and this date the natal year, of the "gold dollar." However, the unit of value remained in the silver dollar. The gold dollar contains  $23\frac{22}{100}$  grains pure gold,  $2\frac{58}{100}$  grains alloy, weighing 25.8 grains, and being "nine-tenths fine," which is standard fineness.

Our coinage system was established at a period of trying responsibilities in our history, by men of sound financial system. Our national history furnishes us with no names more eminent in practical sense. They builded wisely. Let us not undo their work, or stand idly by and allow ruthless hands to tear down the flag which is the sign of our financial invincibility!

## XV.

### THE DEMONETIZATION ACT OF 1873.

WE do not propose to enter into a discussion of the merits or demerits of this act further than to explain how this law came to be enacted, and some of the apparent inducing motives for the monetary change produced by this law.

The act of February 12, 1873, was a long act of sixty-seven sections, regulating all the details of the mint. It covered the whole work of the several mints, the assaying, and the refining offices. It did not demonetize the old silver dollar, or any of the fractional silver coins of standard weight issued prior to 1853. The silver dollar is not named in it, and it would escape casual observation that the white dollar was in any way affected by it. The section relating to the silver dollar was drawn in such a manner as to deceive the legislators and the people. It did not boldly and frankly particularize its object, as it should have done if it was intended that what it did do should be understood, by declaring that the coinage of the silver dollar should be discontinued,

and should be a legal tender no longer. It recited no such thing, but it accomplished that end by providing that no other coins than those named in the list should be coined, and the silver dollar was omitted.

At no time in the Senate or House did any person explain that the bill abolished the silver dollar, or that the unit of value was by the bill fixed in the gold dollar, and in no section of the act was it specifically pointed out that the effect of the act was to change the standard of values from gold and silver to gold alone. The title of the act, instead of containing any intimation of the change made in the standard of values, was "An act revising and amending the laws relative to the mints, assay offices, and coinage of the United States."

While this bill was on its passage, our legislators vainly asked for information. Some delay was experienced, but it was finally forced through without having been printed. The act, when passed, was not read except by title, and it is notorious that this transcendent change in the money system of the country, affecting the most vital interests, was carried through without the knowledge or observation of the country.

The managers of the bill, in advocacy of its passage, stated that it was very essential that the mint laws should be revised and codified. The

several acts were somewhat conflicting, and very numerous, the ostensible object being to do away with obsolete acts and sections, and to bring the whole into unity. It was claimed that it would reduce the expenses of the service, and that the salaries of no officers were increased. In fact, it was represented to be quite harmless.

As paper money was the actual currency of the country at the time, a coinage act was not likely to attract general attention. In its relation to the question of a single or double standard, it was discussed but little in the House, and not at all in the Senate. The press of the country was entirely unobservant or silent when it was pending, when it passed, and for more than three years afterward. If it had been generally known that any such vital questions were lurking in the bill, it would have aroused a widespread discussion throughout the country.

In 1868 a bill was before Congress, one of the principal objects of which was to demonetize silver, but it found no favor, the weight of legislative and public opinion being overwhelmingly against it. The people of the United States believed in the white dollar, and they were unwilling to give it up.

The crafty power seeking to aggrandize itself in this movement, finding it could not carry out its plan in the face of the people, determined to

strike in the dark. In due time a stunning blow was struck—a blow of not so apparent injury at the first, but of deadly power, and disastrous in the end. A combination of foreign and American experts were equal to the occasion. They conceived the idea of accomplishing demonetization in this country by a revision of our coinage laws.

A movement had already been inaugurated by the money powers of the world to dethrone silver from among the commercial nations, and something had been accomplished toward this end. In order to make this scheme a success, it was necessary to commit the United States to it, our country being, in growth of power and influence, the most aggressive nation of the world. Germany had already been inveigled into the snare, and the states of the Latin Union were looking about them in consternation.

Willing subjects were found in the officers of the treasury, and in the committees on mints and coinage in Congress. The foreign and domestic money lenders had things pretty much to their liking. They experted and prepared the mint and coinage laws to suit themselves, and secured the passage of the bill which had been so covertly prepared.

We have little occasion to assure any person as to the motives of those who engineered this skillful plan to a consummation, further than to

refer to a few facts. Our government had outstanding at that time about two thousand millions of bonds payable in coin. Our states, cities, and corporations were in debt in an enormous aggregate. About that date the amount of gold production seemed to be rapidly decreasing, and has since continued to decrease, and the silver product was unusually large, promising a large increase in the stock of the white metal. The excessive production of silver has since fallen off, and is now declining.

As a movement this was simply a scheme to deprive silver of its lawful uses, thereby to increase the demand for, and enlarge the office work of gold, all tending to make the yellow metal more valuable. It was the rich man's smooth and crafty proposition, which means "Heads I win, and tails you lose."

Let it not be said that it must have been an honest proposition for the reason that at the time this act was passed, silver was at a premium of about three per cent, for this premium obtained by reason of our legal ratio being 16 to 1 instead of  $15\frac{1}{2}$  to 1, as it was in Europe, that is to say, in Europe a less amount of silver by about three per cent was the equivalent of gold than in the United States, hence our silver in Europe was worth three per cent premium, which fact accounts for the scarcity of silver in the United States.

The discovery of the disability which had been



put upon silver was not made by most of the members of Congress and by the people generally, until the approach of the day — January 1, 1879, which had been set for the resumption of payment by the government. Wonder was expressed why silver was not being coined with which to prepare for that day. When the facts became generally known there was a commotion, and the people were heard from in a very emphatic manner.

But full justice was not accomplished by the act of 1878, which restored silver so far as to provide for a limited coinage of the dollar on the part of the government only. Heretofore during all our history, the owners of silver bullion had the right to demand its coinage into dollars. The people were deprived of this right by the Demonetization Act of 1873. This right must be restored.

The stealthy manner in which this act was rushed through the House is well illustrated by the following colloquy in the Senate while the act of 1878 providing for the restoration of the silver dollar was under consideration :

Mr. Blaine said : "It would be found that the subject was not as well understood then as now. The silver dollar was not in circulation then, and no one saw the effect of the act. It would be quite as well if they all acknowledged their ignorance."

Mr. Voorhees, of Indiana, asked if the senator from Maine, who was then Speaker of the House, knew that the bill demonetized the silver dollar.

Mr. Blaine: "I did not. Did you?"

Mr. Voorhees said he would frankly say he did not.

Mr. Thurman, of Ohio, said this was a singular catechism. One senator asks the other if he knew the bill demonetized the silver dollar, both being members of the House at the time, and the reply was: "No, did you?" and the other says "No." Neither knew that the bill demonetized the silver dollar, because it *did not*. (Laughter.)

The legal tender quality of the silver dollar was not taken away or limited until the adoption of the Revised Statutes in June, 1874, of which section 3,586 is as follows: "The silver coins of the United States shall be a legal tender at their nominal value for any amount not exceeding five dollars in any one payment."

## XVI.

### COIN IN STORE.

THE opportunity is now afforded us of crowning the work of the master builders of our financial system. We may well believe that Washington, Jefferson, and Hamilton, great in faith as they were noble in resolution, wise in legislation, and just in execution, looking down the century, saw the day when this should be a mighty nation abounding in wealth, with a coinage and commerce second to no people on the face of the earth, with great storehouses filled with coin—anchors to hold the ship of state steady amid the storms of passion, avarice, and power, outriding the tidal waves of commercial distress, and thus keeping in safety a prosperous and happy people.

But there have arisen those who claim to be wiser than the fathers, who condemn the work ordered and established by them; who say we have come to a day of better things; who brand as a “nuisance” the dollar established by them; who stigmatize the silver dollar as “low-born”; who seemingly cannot find expressions suffi-

ciently vituperative for our grand old white dollar, and who shed tears of agony and distress because at the present time our government is storing a few millions of the people's money.

The fathers laid the foundation and established our government with marvelous wisdom; they wrought with self-denial and suffering in the midst of great poverty.

Our people possessing great patience and endurance, well preserving the spirit of the fathers, have struggled on through poverty to power. Our nation, having little coinage of its own, has been almost wholly dependent upon other nations for its coin; but it has come to see the day when it is able to hoard coin and lay by in store, having grown in material wealth until it is the realization of its founders, the grandest nation, the recognized light and acknowledged hope of the world.

Hitherto we have been dependent. Now is the day of our grand opportunity to act and accomplish great things—to place ourselves at the head in financial strength, and in the lead in the formation of international policy.

It does not become us at this time to stand by and let other nations dictate our policy. It is obligatory on the people to rise up and issue a proclamation of independence—to come out fairly before the world and declare the equality

of silver and gold on the basis of our historical standard; and to call upon our citizens to lay by in stock and store all the money they may be able to accumulate.

We have tried faithfully, by means of monetary conventions, to come to an understanding with the nations of Europe, in the adoption of an international standard. But on this we have accomplished nothing for ourselves, except to discover some of the secret workings of the powers which rule in the conventions of nations pitted against, jealous of, and striving each to gain some advantage over the other. And we have accomplished nothing for them except to make known our cringing timidity.

The money power controls every international convention, and there is no hope of arriving at an agreement except on the basis of the suppression of silver money among the nations of Europe, and in our own country. Such a declaration of independence would speedily break the corner, and silver would again become as scarce throughout the world as in former times, and it would, in its market value as bullion, seek the level of the past three centuries. The supply of silver as well as gold is limited; the world has none to spare of either of the metals, and as soon as the policy of hoarding silver shall be fully inaugurated by this nation, so soon will other nations follow; they

THE END

will be compelled to this course. It is the last thing to fear that other nations will dump in their silver on us. All nations and all people want it and must have it.

Great Britain—most persistent and vigorous of all the nations in its unfriendly action and legislation—is compelled to purchase yearly a sum about equal to our annual production to supply the demand of its dependencies in Asia, and of its manufacturers at home. Her merchants are buyers of silver, and they depress the market prices of bullion that they may buy cheaply; but the silver they must have. Their policy is to retain and use silver as an article of *merchandise* among themselves, and as *money* within their dependencies. The reason for this policy is obvious. It yields her merchants profits in trading, and gives the nation the prestige of dictating the financial policy of Europe.

Direful results were loudly predicted by those who opposed the act for the remonetization of the silver dollar, yet with the increase of our stock of silver coin, gold still pours in upon us, until now we have three times the quantity we had in 1878. It was insisted upon that the coinage of silver would tend to expel gold from the country; the result thus far shows that they were false prophecies. Notwithstanding this well known fact, the cry is still kept up: "The unlimited coinage of

silver

silver will cause gold and silver to separate"; but the cry is senseless, for the same influences and causes, first among which is the centralizing tendency of capital, will impel hoarding on the part of all other nations as well as ourselves.

To fully reestablish silver on our historical basis, making the coinage as free as that of gold, will cause gold and silver to approach in bullion value; and in so far as silver supplies the place of gold by remonetization and increased coinage, the effect is practically to increase the production of gold—to lighten the burden resting upon that branch of the money stock.

After all the combined efforts to depress silver and put it out of the money stock of the commercial nations of the world, the citizens of our own country are undismayed; and the people of continental Europe use it as freely and willingly as ever. The anathemas of the "wise men," and the oburgations of the capitalists, have availed only to depress its value as bullion. The silver dollar is worth as much as the gold dollar. Silver francs, marks, and florins are the full equivalent of the same in gold coinage.

The duty of the general government to store the coin and bullion of its citizens, is manifest and undisputed. No person will deny that it is the duty of citizens to lay by, to gather and utilize all the coin they may be able to obtain. Those who

assume that there is danger of laying by too much either as individuals or collectively, as a nation, are simply giving vent to their innate selfishness, or else they are the deluded victims of the selfish ones who fear that the people will have too much *hard cash*, as a basis upon which to do business — a fear pure and simple, the expression and manifestation of unmitigated meanness.

The government in issuing certificates, nominated in dollars, exchangeable at will for deposits of coin and bullion made by citizens, will furnish the most convenient, the best, and safest currency the world ever saw ; it would be a currency of the people, for the people's use, *and owned by the people*. It would seem possible from this on to lay by a grand stock in store of the precious metals as ballast for the old ship of state. Will we do it ?

As to the amount of silver coin needed, we may safely leave it to the commercial demands. With the issue of certificates redeemable at the option of the holder in coin or bullion, it would be necessary only to keep in a fair supply of the coined metal.

“In fifteen years 100,000,000 of people on the North American continent will be commercially one, more people and more trade than will be possessed by the British Islands and Germany combined, and year by year the policy of Europe will be of less and less consequence to us.”



## XVII.

### DOUBLE STANDARD.

THE Mint Act of 1792 established a dual coinage, and erected the unit of lawful money in the silver dollar; it provided for the coinage of both silver and gold, and fixed their relative valuation at 15 to 1.

Alexander Hamilton, in his report to Congress in 1791, says: "To annul the use of either of the metals as money, is to abridge the quantity of circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full, with the evils of a scanty circulation."

This report was heartily concurred in and the dual coinage inaugurated, the object being to utilize to the fullest extent all of the money metals which should be deposited at the mint. The policy of coining two metals at a fixed ratio of value to each other is greatly spoken against at this time. Our object is more to explain the matter of double coinage than to make any extended effort to defend it. Nevertheless we have a few words to offer.

The matter of the double standard is, in all the possibilities of what we do not know, and in the technicalities touching the things we do know, a matter of interminable discussion. Much indirect matter bearing upon and relating to this subject has already been expressed in these pages.

No system or basis for commercial dealing, defining, and prescribing money can be laid down which will work absolute equity, so long as the purchasing power of money is changeable and uncertain, and so long as men are fallible in their estimation of the worth and utility of the various commodities, but it is a certainty that relief is had in the privilege of the use of two metals rather than of one only in making exchanges — in buying and selling.

The option of payment in either tender where more than one commodity or money is a tender under the strict letter of the contract, is just and righteous, a safeguard from malicious injury and willful oppression.

England was the first nation to establish a single gold coinage. This was done in 1816, and the influences at work to-day to persuade our people to adopt the gold standard are essentially British.

The theory is held that the use of one metal as the sole standard is better than to make use of two metals, and under the inspiration of this

theory the claim is made that gold is the proper metal, that it is steadier in value, that the use of two metals results in demoralization and confusion, and will some day result in great disaster.

The advocates of the single gold standard fail altogether to show any disaster as having occurred in the past, in our own country or in any other. The countries using the double standard are of the most prosperous nations, and while the market value of the metals as bullion has caused some fluctuations in the volume of the one and then the other of the metals, these nations have been able to possess themselves of, and utilize more coin under the double standard than would have been the case had the standard been single.

Our country would have been in a pretty plight had our people persisted in an endeavor to exclude one of the metals from our coinage during the early years of its history.

The trials our country has undergone for the want of coin ought to convince any person of the folly of any effort to exclude either of the metals; and as we have shown, we now need all we can obtain as certainly as it was needed then.

The effort is made by the wise men to clothe this matter in much mystery, but it is a matter of practical common sense, and is plainly to be understood, and as pertinent and wise on the part of our country to hold to the double standard, as

it is prudent on the part of the farmer, having equal facilities, to diversify his crops and raise corn and wheat, instead of hazarding his labor all on one commodity. We have but two money metals, and why should we not utilize both?

But it is said that the cheaper will drive out the dearer metal. Then why does not silver drive gold out of France, and from our own country as well? This theory does operate in practice to some extent, but comes far short of full effect. History has demonstrated that it operates most severely in the weaker nations, and that inherent national power exercises a modifying influence, so strong as almost to negative the law. The double-standard nations are losing none of their gold, and, save our own, they are gaining no greater portion of silver. No nation on earth has any money metal to spare. We observe this in our own case at the present time. We are now one of the first powers of the world. Our silver stock is increasing, and under this law gold should be taking its departure, and yet our stock of gold is enormously increased. We also observe this in the action of France and her monetary allies, who have exercised an almost absolute and controlling power during the present century, and this with the greatest advantages to themselves and the whole commercial world.

Why should the United States presume to

allow herself to be considered a cipher, and meekly grant that British and aristocratic influences may dictate the financial policy of our people?

#### THE WORLD'S STOCK OF COIN.

The estimates of the world's stock of coin are largely conjectural, but the most liberal estimates by the reputable authorities place the stock at about \$6,000,000,000, which stock is practically equally divided between gold and silver, rated on the valuation of  $15\frac{1}{2}$  to 1, the European ratio. This is a significant fact. The world's accumulated production and present stock stand on this basis. This would make a showing of about \$5 coin per capita, not including the unenlightened peoples of the earth.

Another significant fact is, that gold is never found in its native rock unaccompanied by silver. Even our great Comstock silver mines, which are now a thing of the past, produced about forty per cent of gold. Some of the silver mines produce gold in very slight quantities; but, on the other hand, the washings from alluvial deposits yield but a minimum of silver. The money metals are complements of each other and inseparable, as in their native bed, in their service to mankind.

The world's stock of gold and silver plate, ornaments, and other manufactures is estimated to

be equal in value to the stock of coin, and in relative value to be about equally divided between silver and gold.

Of the nations of the world, those having a population of say 140,000,000 have gold as their standard, with limited use of silver as subsidiary coin; 190,000,000 use the double standard, gold and silver, and about 700,000,000 have the single standard of silver.

We do not present these estimates as being other than an approximation, and with the hope that it will inspire a spirit of inquiry on the part of some of our readers. We have refrained as far as possible from cumbering this little volume with statistics.

The total valuation of property within the United States (as shown by Blaine's tables) in 1880 is \$43,642,000,000.

## XVIII.

### MORE SILVER IN THE DOLLAR.

IT is insisted by some of our citizens that the free coinage of silver is desirable; that it would be best to restore it to its former equality with gold under the coinage laws, but that it would be better to establish it on or about the ratio indicated by the bullion value of silver and gold, rather than the present legal ratio. This would be a fatal error, and we note some of the reasons why this would not be the proper course to pursue.

Past experience has shown that on the basis of 16 to 1, we were not able to retain silver coin in the country; the European ratio being  $15\frac{1}{2}$  to 1, showing a margin of about three per cent for profit by exportation and recoinage in Europe.

This has been for many years a very embarrassing problem. We had coined gold at the ratio of 15 to 1 up to the year 1834, at which time the ratio was changed to 16 to 1, by reducing the weight of the gold coins, which was done for the purpose of preventing exportation of our gold coinage. If the ratio had instead been made

to conform to the European ratio, we would have been spared much trouble and annoyance.

While our ratio remains higher by about three per cent than the European ratio, it would not be wisdom to increase it. The full rehabilitation of silver in the United States would create a great demand for the metal, and its value as bullion would doubtless appreciate to the old ratio; certainly, we do not know that it would not so enhance in value, in which event, by increasing the weight of the silver dollar, we would be selling our silver too cheaply, and it would gradually take its departure.

It is desirable that the nations of the world should come to an understanding, and agree upon a ratio of coinage, but this will not be accomplished until the United States restores silver to its time-honored position.

The timid policy manifested by our government in establishing limited coinage in 1878 was a disastrous mistake, and it is largely the source of our financial uncertainties and depression at this time. It has kept the silver standard, and the silver and gold standard nations of Europe in suspense as to our future policy, and has emboldened the gold standard nations, and our "wise men" and Shylocks, to continue their relentless war on the white metal. It has placed our people at a great disadvantage, and deprived them of the



benefits which would have accrued by having done the right thing — in placing silver under the laws just as it was before it was surreptitiously dethroned.

To increase the quantity of pure silver in the dollar would be a monstrous wrong. It would confirm by legislative enactment the wicked action of creditors in their infamous designs against the debtors. It would be a public yielding to unjust demands, and would brand our people as cowards. Yielding would be a precedent acknowledging that the debtor has no rights which the creditor is bound to respect—a degrading concession.

Those who demand a greater portion of metal have no case in law or equity. To those who ask it on the basis of “policy” and “expediency,” we say justice and right must obtain if the people have the spirit to maintain them.

No rule of ethics implies any obligation on the part of the poor to pay in excess of the bond.

The plea urged so loudly and persistently, that we shall lose our financial prestige and impair our credit, if we do not conform to the British standard, is unworthy of notice. It matters little to us what course other nations pursue in their efforts to intensify the monetary standard. We are not under the slightest moral or economic obligation to conform to the standard of other

nations, when in so doing we perpetrate a wrong upon ourselves.

It is insisted that we should put away silver, so that we may be able to pay for the silks and wines purchased abroad, lest our foreign trade should be disturbed!

Have any of the "wise men," or rich men, heard of any disturbances in trade within our own borders? What means the wail of distress going up from the millions of workers in our own country? Charity begins at home! *We shall get on quite as well if we buy less of foreign productions.*

Trade relations between Portland, Maine, and Portland, Oregon, between Chicago and New Orleans, and between Nebraska and Pennsylvania, determine the prosperity of our people.

Silver as *bullion* will at this time buy, of things necessary and useful for mankind, more than ever before within the time in which our present indebtedness was created, so it appears that in this respect the creditor receives more than an equivalent.

If in the process of time, after silver has been restored, it appears that gold is still in excessive demand, and we find that it is taking its departure, we may again reduce the weight of the gold coins, as was done earlier in our history.

The white dollar must be kept inviolate, and stand as our financial monument and strong tower.

In the event that it should finally appear that it was necessary to increase the weight of the gold coins about three per cent to correspond with European ratio, in order to retain our silver stock, we may do this; but the people's dollar must remain as it was established and as it now is.

## XIX.

### THE TREASURY DEPARTMENT.

A VERY general misapprehension seems to prevail as to the financial affairs of our government, and the operations of the Treasury Department. There seems to exist in the minds of many people the idea that the government in some respects and in some manner does a banking business, and that the affairs of the government are very complicated, and as well, that it is hardly to be expected that the average laboring man can understand them—that they may not be readily understood except by thoroughly educated business men.

We shall refer, in a very brief manner, to the office work of the Treasury Department.

The financial business of the government is confined to the collection of the revenue, and the disbursement of the funds so collected, the management of the public debt, and the custody of funds and securities committed to it for safe keeping, agreeable to the laws of the United States.

The increase of population and material greatness, and the excessive expenditures during the

past quarter of a century have occasioned an enormous business for the department to accomplish, and while the details of this business are infinite and intricate, and vast in volume, yet these facts do not forbid that, after all, its general operations may be very simple and readily understood in their practical workings, the main business being to collect the revenue, and disburse the funds so collected. While the department is empowered to receive deposits within certain lines, such as may be offered, yet it can lend no money except by special act of Congress. In no sense does the government do a banking business.

Ours is a "government of the people, for the people, and by the people," and it becomes every citizen to inform himself as to its affairs, which it is by no means difficult to do. Our citizens dictate the laws in the selection of legislators, and by instructing them in the line of the people's will. Every man, rich or poor, has a power to influence the action of our legislators.

In the autocratic, one-man, power, and in the aristocratic governments of the old world, where the governing power is in the hands of a titled class, the fixed operations of the government are generally committed to or associated with the operations of a national bank, and the people have little or nothing to say, and almost no influence in the direction of affairs.

In our country the officers are directly responsible to the people. This is a privilege and a blessing too lightly considered by the greater portion of our citizens, in that they allow the rich men almost exclusively to dictate the financial policy of the government, and they do it most certainly in their own interests.

#### NATIONAL CURRENCY BUREAU.

Intimately associated with the treasury department, and under its supervision, is the National Currency Bureau, but in fact entirely distinct in its operations from the management of the government finances.

The National Banking Law had its inception early in the history of the war of the rebellion, at which time our national and commercial finances were in a chaotic state. The government was poverty-stricken, and the people were suffering under the burdens of the rotten old state-bank systems, the circulating medium consisting mostly of the issues of their banks. Gold and silver had totally disappeared from general circulation. The government had been issuing demand notes, and January 1, 1862, it suspended payment.

The Banking Law passed after a great struggle, February 25, 1863. Very many interests were affected by it, but it was the inauguration of bet-

ter things for the people. This law taxed out of existence all of the state-bank issues. The right of the states to authorize the issue of bank notes was not denied, but the law rode over them roughshod in a tax of ten per cent per annum on their outstanding circulation.

The national banks have performed a service of inestimable value to the country. They furnished greatly needed assistance at a time when our commercial interests were sadly demoralized. They established a home market for our war bonds, the banks being required for deposit with the treasury department as security of the circulating notes. These bank notes have never occasioned a loss of one dollar to the people by reason of the failure of any of the banks.

There is no issue to-day before the people in relation to the national banks, as the people are well satisfied with them. The banking privilege is practically free to all. It is relegated to the people to do the business of banking. There is now outstanding \$320,000,000 of national bank notes. These notes are not a legal tender in the payment of debts as between individuals.

There were 2,678 national banks in operation

May 6, 1885. These banks had an aggregate capital of .....	\$525,195,577 00
Surplus from undivided profits .....	205,288,134 13

National bank notes outstanding* .....	\$290,190,340 00
Bonds deposited with Treasurer of the United States to secure these notes .....	312,168,500 00
Total deposits.....	1,331,870,615 99
Cash means and funds available for the redemption of bank notes and for payment of deposits, of which they held in gold coin and certificates ....	\$163,953,272, and
In silver coin and certificates	13,462,147
In legal tender notes .....	96,471,999 = 617,193,214 58
Loans and other bonds, etc.....	1,360,328,091 48
Real estate .....	49,886,378 87

## TREASURY NOTES.

We have also another form of circulating notes which were in service during, and are a relic of, the war. These are the treasury notes, "green-backs," so called. They are all, each note according to its denomination, promises to pay money on demand. These notes were one of a number of devices made use of during the war to obtain a loan; to borrow money from the people, when the people had no money to lend, and were in the nature of a *forced loan*. The government was compelled to issue its promises to pay, and it seemed necessary to compel others to receive them from the persons to whom they were paid by the government—or in other words they were

\* About \$40,000,000 of the national bank notes are redeemable at the treasury, the circulation of banks in liquidation which have deposited legal-tender notes for that purpose, this being required before the security bonds shall be returned. A considerable percentage of these notes will never be presented for redemption.



made a lawful tender, thereby declaring that the creditor should receive them at their face value in payment of indebtedness due and unpaid.

This was a practical recognition on the part of the government of the fact that mankind recognizes nothing as money but the metal itself. Even this legal tender quality did not prevent these notes from sinking, as we see by measurement of their value in real money at stated dates, subsequent to suspension of payment January 1, 1862, and previous to resumption of payment January 1, 1879. About \$348,000,000 of these notes are still outstanding. The coin reserve in the treasury is available for the redemption of these notes.

The following table is an expression of the people collectively considered, as to their estimation of the ability of the government to make good its promises, and the probable time of their fulfillment. But this is not altogether a just expression of the masses, owing to the intensification of the financial confusion by the unpatriotic acts and selfish ambition of capitalists tending to demoralize all business interests for the purposes of gain to themselves, and at the expense of the best interests of the country; and also by foreign influences inimical to our welfare.

The great mass of the people at the North during the whole period, and subsequent to the

war the people in the South, had full faith that in the final outcome the government would pay its obligations.

It will never be known how great was the restraining influence of the legal tender quality in repressing the people's desire for true money, coin. The price of gold during the period of suspension of payment on the part of the government, was as follows:

<i>Year.</i>	<i>Lowest.</i>	<i>Highest.</i>
1862 ... January.....	100	..... December ..... 134
1863 ... August .....	132½	..... February ..... 172½
1864 ... January....	151½	..... July..... 285
1865 ... May .....	128½	..... January ..... 233¾
1866 ... March .....	125	..... June..... 167¾
1867 ... January.....	132	..... September ..... 146¾
1868 ... January.....	133¼	..... September ..... 145½
1869 ... December .....	119½	..... September ..... 162½
1870 ... November .....	110	..... January ..... 123¼
1871 ... December .....	108½	..... October ..... 115
1872 ... January.....	108½	..... August ..... 115½
1873 ... November.....	106⅛	..... April ..... 119⅛
1874 ... July .....	109	..... April ..... 114¾
1875 ... July .....	111¾	..... October ..... 117½
1876 ... December .....	107	..... March ..... 115
1877 ... December .....	102½	..... April ..... 107½
1878 ... December .....	100	..... January ..... 102½

## XX.

### THE NEW YORK CLEARING HOUSE.

THE New York Clearing House is the recognized center of the money power in this country.

Its members were privy to and rendered material assistance in the matter of the demonetization of the people's dollar, and during the period of discussion relating to the restoration and recoinage of the dollar, they were ceaseless and unsparing in their efforts to defeat the will of the people. Since the return of the dollar to circulation, they have brought every influence within their power to prevent the dollar from going into general use, and have done all that desperate, ingenious, and powerful men could do to prejudice the people against the dollar.

The present depression in the bullion value of silver is more owing to the unfriendly action of these gentlemen than from any other and from all other causes, except the fact of limited coinage, which is the lever with which they raise the bullion value of gold.

In order to ventilate the latest scheme on the

part of the New York Clearing House, and illustrate their sneaking practices touching this matter, we make an extract from a circular issued by its committee, dated July 20, 1885, and sent out to the banks of the country, asking their coöperation to prevent the paying out and circulation of the silver dollar.

The circular says: "To temporarily arrest this danger [the disbursement of the dollars from the treasury], *and to avert the premature agitation of the subject until Congress shall convene and amend the law*, the banks have offered from their reserves to supply any deficiency of gold in the treasury to the extent of ten or twenty millions, and in so doing they desire at the same time to promote all natural and healthful demands throughout the country for silver coins. It is an undeniable fact that a silver coin of the size and denomination of the dollar is not in popular demand [by the members of the New York Clearing House], and is not a convenient form of money for ordinary use, but that the fractional coins may more largely circulate. For this reason the committee cordially invite all banks and bankers throughout the country to unite with them by lending their aid in disbursing, so far as they are able, the fractional silver coins, of which there are now lying idle in the treasury some thirty millions of dollars. Whatever portion of this

amount can be put in circulation will so far relieve the present exigency.”

We paraphrase this quotation as follows: “Every effort possible must be made to prohibit the use of the silver dollar. We wish matters to be kept quiet, so there may be no agitation. Keep the people in the dark. We wish to have the coinage of the dollars stopped. They have full paying power, and as coin is the equal of gold in every respect, when Congress meets, we will see that they are abolished; we will be able to secure this if there is no agitation.

“In the meantime load down the people with the fractional coin; pile it up on them, and make them heartily sick of it. The fractional coin is all limited in paying power, so that we will have the advantage; they cannot be used for the payment of bank and fixed debts. This is our plan for giving them plenty of silver.”

The circular further says: “Since the resumption of coin payment on January 1st, 1879, the banks throughout the country, together with the government itself, have practically maintained the gold standard then reestablished, and the business of the nation has been carried on upon that basis in harmony with all the leading commercial nations of the world.” Or, in other words, since the government resumed payment in 1879 we have had things all our own way, and we

have managed the treasury department itself. If we can only keep matters quiet all will be well, and notwithstanding the laws of Congress, we have been able to set up a standard agreeable to ourselves and our British friends, and thus far to maintain it; but during the coming months the secretary of the treasury may have occasion to pay out ten or twenty millions of dollars, and we have determined upon this plan, to use the fractional coins instead of the dollars.

It remains to be seen whether there will be any agitation or not, and what the people will say when the time comes to decide as to the ruling power, the New York Clearing House or the people.

We recognize the grace with which the committee expresses its desire "to promote all natural and healthful demands throughout the country for silver coins." The committee are evidently desirous of posing before the people of this country as the conservators and guardians of their best interests. An expression from the people will be heard by and by.

## XXI.

### TO OUR REPRESENTATIVES AND SENATORS.

**N**O one will dispute the proposition that silver is money, and as truly so as gold, by authority of the Constitution. Nor will it be disputed that coined silver is now in universal use as money, and has been so used since mankind first commenced the use of metallic money.

It will not be denied that up to 1873 it was our privilege to use silver as money, and the duty of the government to coin it for the people as freely as gold.

Who deprived the people of their time-honored and constitutionally warranted right of utilizing this money metal?

It was not the President, who months after he had approved the "Act for revising and amending the laws relative to the mints, assay offices, and coinage of the United States," wondered why the dollars were not being coined.

It was not the Speaker or the most prominent members of the House of Representatives, or members of the Senate, for they rise up years

after, and explain that they did not know that the silver dollar had been cut off.

No express desire by way of petition from the people, or resolution emanating in public meetings, can be shown as authority for striking down the people's dollar.

No one will deny that when it was stricken out it was, in its commercial value as bullion, as eagerly sought for and desired as gold, and was considered by the people as desirable for monetary use as gold.

No one can deny as a certainty that the restoration of silver to its former position in the United States will not take from gold its relative excess in value; that is, will not bring the two metals to the relative value obtaining during the past three centuries.

No one may deny that silver as coin is not now the equal of gold in purchasing power, as it has ever been with us, and as well in the countries using both metals as money, including also the United Kingdom of Great Britain and the German Empire at this present time, notwithstanding the disparity in the bullion values of the metals; hence we see that the excessive valuation of gold relates only to its value as uncoined metal, and that its consort, silver, would now be for all practical purposes its equal in this respect but for



unfriendly legislation prohibiting the coinage of the white metal.

No one will dare to deny that should silver be fully restored, *the gold corner will be broken*.

No one will presume to deny in such event, that with their indebtedness so rapidly increasing and piling upon them in such an enormous aggregate, the nations of the Old World, and the Dominion of Canada, Mexico, Central America, and all South American states, will not from that time strive with all their might to retain within their own realms, for their own use, all the precious metals they may be able to hold to themselves.

No person will deny that the United States, being the leading nation of the world in the production of food and of the precious metals, would not be a long way in advance in ability to hoard coin as a basis for internal commerce.

No person will deny that United States coin certificates are not as convenient for use as any other form of currency, and it will not be denied that such a circulating medium would be the most substantial currency ever made use of by any people; and no person can truly say that it would not be wisdom on the part of our legislators to give us such a currency; and on the score of immediate economy no person will assume that it would not pay the government to store the coin,

in saving the people from the loss by abrasion incident to the use of coin, and in accruing gains to the government in the acquirement of coin in its own right resulting from the wear, loss, and accidental destruction of its certificates.

No person may fairly assert that the restoration of silver would not revive our languishing industries and encourage our manufacturers, and cause many of them to start up again, give hope to the workers and help to the poor, and enable hundreds of thousands of our citizens here and there in our broad land to secure homesteads, who otherwise would not be able so to do.

Now we address a few plain questions to our representatives and senators:

Where and what is your authority, and by what precedents are you governed in depriving the people of the right to have the silver which they may be able to procure, transformed into coin?

Why is not this as much our privilege now, in justice, as it was in January, 1873, and during all the previous years of our history? And why is it not as desirable now as it was then and ever has been?

Have we come to see the day when we do not need money?

Is it for the reason that kind Providence has given us a broad, beautiful, and fertile country, diversified by woods and plains, rivers and lakes,

and mountain ranges, and peopled our land with sixty millions of aggressive and industrious people?

Is it for the reason that our people are active in producing all that goes to make themselves happy and contented—the corn and cotton, meats and fruits, wood and iron, and gold and silver—the envied nation of the world? Is it that a people so highly favored do not need this money in the prosecution of their commerce? Is it that the people have not pledged themselves to the payment of money in any considerable amount?

Is it that the people, having as a country been very poor, have no use for this money, seeing that in the past they have, in their emergency, used for the most part something else as money, and for this reason does it follow that it is better for the people to use that which is not money? Is it that the people having a limited portion of the world's money, it is not best that they should have a greater portion, even though they may by their industry be able to obtain it?

Would it not be well, granted that we have a sufficient circulating medium, to replace some of our representative money with real money?

Is your authority for withholding and restricting the people's money any other than the wish on the part of the rich to deprive the poor of their money? Is it the province of the rich to

dictate terms to the poor, and to determine when the people have enough money?

Is the basis of the rich man's dictation other than a desire to enhance the power of their accumulated dollars represented by notes, bills, bonds, and other evidences of debt held against the people?

Dare you insist that the poor alone shall make sacrifices — that the debtor shall pay in excess of the bond — shall make good real or imaginary losses on the part of the rich, they themselves being judges?

By whose will is it that you restrict the use of silver as money? Is it any other than that the people shall not be able to pay their debts except by extraordinary sacrifices?

## XXII.

### ONE OF THE "WISE MEN."

THE rich have many to speak and write for them. Indeed it would seem that riches are all-powerful in commanding the best services of the most highly educated and refined.

The power of riches is shown in the social dignity that attaches to the persons of the rich, in a subservient yielding on the part of many at their behest, and in the extreme desire almost universally manifested to win their favor.

Strip off their riches and they sink suddenly to the general level, their personality has no longer a charm, their voice does not command a reverent hearing, their opinion is of little account, and their wish finds no favorable response, — they are lost in the multitude!

But "alas for the rarity of Christian charity," the poor have few to plead their cause. It is not popular; it does not pay; and while in sentiment it may be fine, in practice it is vulgar.

Among the wise men who write in behalf of the rich, we have selected one of the most popular and highly educated, as representing a class

of writers and teachers who exercise a powerful influence. The people look up to them as exponents of the most advanced opinions and correct views.

Prof. A. L. Perry, of Williams College, is one of the boldest and ablest advocates of the distinctive doctrines that tend to conserve and intensify the distrust, already too pronounced and causing alarm, in the existing relations of the rich to the poor — between capital and labor.

It is a lamentable fact that a large proportion of our college professors are infected in a greater or less degree with the same doctrines, and too often with desire to serve the rich, and bask in the sunlight of their favor, which service, owing to the universal greed and craftiness of the rich, must of necessity be at the expense of, and to the injury of the poor.

In charity to them, we may say of the college professors, they abound in theories, grand and brilliant, adapted to an ideal world; but there are some elemental facts obtaining in this practical world, of which they have little knowledge, which knowledge is the heat generated by the friction of capital grinding on labor, and of the creditor crushing the debtor.

Professor Perry is one of the "wise men." We take issue with his theories and propose to put some of them to the test and show how

nearly he occupies the position of the "lawyers" who did "bind heavy burdens" upon the poor, and as a reward have the "uppermost rooms at feasts," and "greetings in the markets," and are called of men "Rabbi, Rabbi."

We are far from impugning his motives, but we do believe that his judgment is warped by his fancies, that he is dazzled by the splendor of riches, and that he cannot, by reason of the glamor, see the interests and necessities of the poor.

An address\* delivered by Professor Perry, on invitation, at a convention of the American Bankers' Association, on "Money," well illustrates the power of riches over men of trained intellect.

His argument was against the use of silver as money, as being unnecessary and impolitic from every point of view. He asserts that the stock of gold is sufficient, and, in fact, more than sufficient in quantity, for a standard of value, by reason of the great use of bank bills, checks, drafts, and other credits which take the place of, and assist coined money in commercial transactions, but, he says, "credits can never usurp the whole place of coined money, otherwise there could be no denominations to measure values with."

He says, "There is no lack of gold, nor is

\* Official Proceedings, Session 1877.

there likely to be." "The notion that abundant money is somehow favorable to the masses of men, is an illusion." "Abundant harvests are favorable to all, and why not have money abundant?" "Why not add the mass of silver to the mass of gold and have money enough for the masses?"

He says, "I denounce the cry of 'abundant money' as a delusion and a snare." "*The dearest money is the best for the poorest people.*" "Money is not like food, like clothes, like books, it is a *measure* merely; and a steady measure must be a costly measure; and therefore gold alone as the standard, while it is best for all classes, without exception, it is preëminently best for the masses of mankind." And he says he advocates these doctrines because he believes in the masses of men, as "their interests outweigh many-fold the interests of the fortunate few."

We have indeed seen the day when this language would apply with great force; when wild-cat banks were going down all about us, and the people, by reason of them, were sustaining great losses, and when silver and gold stood side by side, each doing its proper service with no discrimination or restriction upon either; but now it relates solely to the matter of forcing the people's money from the money stock, thereby making



real money scarce and almost impossible to be obtained by the great army of workers.

But now, what *does* this mean? Let us make an analysis of these doctrines.

He believes in a scarcity of money; then, logically, the scarcer the better; and, if so, we would be better off without money, which was the condition of the masses in the dark ages, when the rich had all the money, and the poor were sunk in degradation so dark and terrible that those ages have bequeathed to us almost no history save the general fact of their poverty and wretchedness.

But he cannot mean this. It is charitable to conclude that he is somewhat *mixed* in his ideas. He evidently thinks that a condition of credit inflation is better than to have an abundance of coined money, although he may not know it by this term; but such it is, and will eventuate as certainly as time rolls on, as all inflations have done,—individual, commercial, and national, in the coming of the day of payment.

This is liable to come suddenly. We believe it is just at hand. Plethora, stagnation, and depression indicate its speedy coming, if it is not already upon us.

Again, "credits can never usurp the whole place of coined money, otherwise there could be no denominations to measure values with," but

logically, they can *mostly*, for we only need enough to signify the denominations of money.

But without referring to the question of quantity, as to whether or not there is sufficient gold, the statement is fair and distinct that what is in fact wanted "is a *standard* of value, and not strictly a circulating medium"; we must have some coin to make the money denominations, and "money is a *measure* merely."

This is the doctrine the Shylocks like to have preached to the people. They themselves can listen to it with great complacency. It serves them well and truly, but woe to the people who have so confidently and freely issued their "promises to pay."

These doctrines are the sweet words of the rich men, "the fortunate few," ever magnanimous in their charity, calling to the people and saying, "It is all right, we will attend to this matter, we know more about these things than you do; we will do well by you"; and now (introducing him), "This is Professor Perry, one of the wise men, a learned authority. His words are as pure waters from the fountains of historical research and learning, he is burdened in behalf of the well-being of the masses." "We do not care as to the actual quantity of gold; gold is necessary only to indicate the denominations of money,—we, of course, must have a standard,—

but so far as the coin is concerned, we do not care for it; we much prefer to use bills or drafts, credits; coined money is a measure merely, and all we desire is a suitable measure—the best measure we can have." "Don't let the matter of a measure trouble you; it is for your interest that the measure be as true as possible, otherwise you might get cheated," and with this introduction Professor Perry speaks in behalf of the *masses*.

While we might allow that Professor Perry believes that money is in the name of the thing only, as a "denomination," "a measure merely," or as a "standard," and not the thing itself, except incidentally, in slight degree, in few instances, and unimportant as to volume, a small portion of the commercial exchanges resulting in the use of coin and few credits being liquidated in coin; if he does believe this, it is because he wishes to believe it, and not because it is true.

The rich men whom he serves know it is not truth; they know that money in its uses, as it is used, and when it is used, is the measure of value, and that money is the valuable thing itself.

Over against the stock of coin is set the whole world of valuable commodities and exchangeable interests, and though some of the rich men and

the "wise men" may not exactly and fully comprehend and concede this, yet the practice of the capitalists is substantially on this basis; they insist that coined money shall rule in the commercial affairs of mankind, and having the power by virtue of the possession of money, they compel submission.

It will be said that money does not possess value, as we cannot eat it or drink it; or that it does not to any great extent, in itself, contribute to our physical requirements; that its value is mostly a matter of fancy; that we can only make money serviceable to us by getting rid of it; that the amount of money in circulation will naturally be just the amount needed to make our exchanges, and no more; that idle money is unproductive; that money will adjust itself and flow to the cheapest market, where it is most needed, and that with noiseless action it takes from man the products of his labor, and in exchange returns to him the products of all lands and climes, and when its work is accomplished, it modestly withdraws.

But we say that this is purely theoretical, and is sound reasoning in appearance only; that it is deceptive and fallacious in practice, and that it is a theory which works to the special advantage of the rich and inevitably crushes and grinds the poor.

Go where you will on the face of the earth, where the light of civilization has broken in, and in the use of coined money you can buy the good will of the king of the realm, and the bandits of the wilderness—all things are yours for money.

The concerted effort is made by the "wise men" to hide the fact that the *coin* is the element of value and the essence of the whole matter. It is by Professor Perry belittled and made of no comparative account, as to the matter of volume, when in fact the prosperity and safety of all our commercial interests, of the people and of the nation are absolutely dependent upon it.

Professor Perry says, "The mass of all business is now done by credits of various kinds, and while the standard of value is more important than ever it was to measure these credits, as well as all commodities and services, the actual metal dollars are no longer used to anything like the former extent"; and this, he says, "is a vital element" doing away with the necessity for coin.

We insist that the use of credits is the element of *danger*; that the coin is the thing needed and necessary. To a certain extent we can with comparative safety utilize credits, and to some extent it is necessary to do so, but coin *safely in store* is the *vital element*.

These "credits" so much relied on to assist in, and to largely do away with the use of money,

are all predicated on the coin as the basis of their existence, and we receive and use them only to the extent of our faith as to the coin being behind them — of their convertibility into coin.

These evidences of debt are defined in dollars, and the capitalists know that these dollars are something more than “denominations.” Aye, they know dollars mean *hard cash*.

We give the rich men credit for only a fair sense of discernment of their own interests in applauding Professor Perry for saying, “Money is a measure merely,” and in denouncing “abundant money” as a “delusion and a snare.”

The reason the Shylocks hate silver is because the poor men need it. The rich men want scarcity of money, as “scarcity” makes their accumulated dollars grow bigger — *i.e.*, compounds their power; they want in payment that which is hardest to get; and the harder it is to get, the better they like it, for the greater sacrifices the debtors are compelled to make in order to get it. This policy means low and declining wages, and property at values fixed by the rich.

“Money is a measure merely” is administered to the people by these “wise men” as a soothing lotion; and many, in the belief of and resting on these assurances, are slumbering all too peacefully; it is a deadly drug. Poor men, take warning!

## XXIII.

### ANOTHER OF THE "WISE MEN."

THE *North American Review* (issue of June, 1885) publishes a paper by Professor W. G. Sumner, of Yale College, entitled, "Shall Silver be Demonetized?" The result of his argument is "that we do not want or need silver as a circulating medium, and shall not abandon it because we never had it."

His argument is a marvel of perversion, distortion, untruthfulness, and mean insinuation; a paper which could emanate only from a most bitter and prejudiced partisan. We notice a few errors upon which he builds his argument. He opens with these statements:

"The people of the United States never have used silver as a circulating medium, and they have shown that they do not want to use it unless at such a ratio to the old standard of value that the debtors of the moment can win a percentage on their contracts. From 1792 to 1834, under a 'double standard' law, they used silver as a standard of value, but no silver dollars were coined from 1806 to 1836. Bank notes only were

used, and there never was any test whether the people would like silver dollars as a circulating medium or not. In 1834 the rating under the 'double standard' was changed so that the gold dollar became the standard, the change involving a depreciation of  $2\frac{1}{2}$  per cent in the standard of contracts. . . . In 1853, silver was demonetized, except the dollars. In 1873, the dollars were demonetized, never having existed as a circulating medium."

His statement is as nearly false as words can be which are not spoken in truth. We have used all the silver we could obtain, of our own coinage and of foreign coins, and our people always welcomed it for their use. It is not so much a matter of fact as to the quantity we were able to obtain, and what we did use and have at all times used, as it is the matter of desire on our part to obtain for use.

It will stand without question to say that while during our history we have used many different forms of scrip and bank notes, the people never used them from choice; and while at times the most of our circulating medium consisted of bank notes such as Michigan "wildcat," Georgia "shinplasters," Indiana "red dog," and Illinois "stumptail," together with the notes of the old national banks, and other reputable banks of issue, that the people were averse to such cur-



rency and made use of it under compulsion, by reason of their inability to obtain sufficient coin.

We venture the assertion that Professor Sumner never saw the day when miscellaneous bank issues were not distrusted. The metal itself—coined money—never was and never will be distrusted.

Prof. Sumner would have us to understand that practically no silver was in use up to 1834. The record of the mint shows as follows:

The total amount of gold coinage up to 1830....	\$9,334,635 00
“ “ silver “ “ “ ....	27,761,477 95

Thus far three times as much silver as gold had been coined.

During the next ten years the coinage of gold was	\$18,756,487 50
“ “ “ “ silver “	27,309,957 00
Total gold coinage at 1840.....	28,091,122 50
“ silver “ “ .....	55,071,434 95

Showing at this date, 1840, nearly twice as much silver as gold coin; all of this silver had been *standard* coin—full weight and paying power—but had been mostly coined, better to serve the convenience of the people, in fractions of the dollar.

Now, what has been the character of our metallic circulating medium? We have given above the figures to speak for themselves as to our own coinage. Let us not forget what an important element foreign coins were to us in days past.

We well remember the times when most of the coin in use was of foreign mintage, consisting principally of French, Spanish, and Mexican silver pieces.

But let us see what legislation had done to attract to our shores and bring into circulation foreign coinage.

During the period of confederation it appears that we had a great variety of abraded coins. In 1793 Congress declared that at the expiration of three years after our own coinage of gold and silver should commence, all foreign coins, except Spanish milled dollars, should cease to be a legal tender. This law was repealed in 1806, and full legal tender given to the gold coins of Great Britain, Portugal, France, Spain, including the silver coins, to wit, French crowns and Spanish dollars.

In June, 1834, Congress extended the legal tender to the dollars of Mexico, Peru, Chili, Central America, Brazil, and the five-franc piece of France, and to the gold coins of several nations.

In March, 1843, Congress reenacted the same, and fixed the rate at which the United States should value at customs the silver coins of Prussia, Portugal, Bremen, Madiera, the Azores, Hamburg, Russia, and British America.

This condition obtained until 1857, when our coinage having been increased from the California

product, it was deemed advisable to withdraw the legal-tender quality from foreign coins so far as to their debt-paying power; but foreign coins continued to be legal tender for purchase of public lands and payment of duties on imports until 1874, when the same secret management that struck out the silver dollar from our own coinage limited the receipt of foreign coins for those purposes to gold coins, and silver to the fractional quarters, eighths, and sixteenths of Spanish and Mexican dollars.

Prof. Sumner says: "There never was any test whether the people would like silver dollars as a circulating medium or not." We have only to say that the most perfect and practical test was made that under the circumstances could have been made.

He says also, that in 1834 "the gold dollar became the standard." The standard remained in the silver dollar; the standard is fixed by law, and not by Prof. Sumner's *ipse dixit*.

No doubt at that time debtors made more free use of gold in making payments, just as the legislators enacting the law intended they should have the privilege of doing, it being the debtor's option to pay in either silver or gold, a right vouchsafed to the people in the provision for a dual coinage by the framers of the Constitution, a right guaranteed to our people for all time, a right and

privilege provided for future emergencies, such as at that time occurred, and such as *now exists*, a right as well understood by the creditor as by the debtor.

The reduction in the weight of the gold coins in 1834 was not made for the purpose of effecting a depreciation of  $2\frac{1}{2}$  per cent in the standard of contracts. It was done to attract more gold to the mints for coinage, that the current distress might be relieved, and it had in some degree the desired effect, as may be seen by reference to the increase in the proportion of gold coinage between 1830 and 1840 above noted.

The Professor strives to make a point from the act of 1853, but altogether at the expense of his fairness. The plain inference from his statement is that all fractional silver coins were by that act demonetized. The law makers were very jealous of the *standard*, and did nothing to violate it.

The most of the silver previously coined was in fractions of the dollar of full weight and paying power, and so remained standard coins. This act provided for the coinage of light-weight fractional coins, and because of their underweight their paying power was restricted to five dollars in any one payment.

About the time the remonetization bill was under consideration in Congress, Robert Toombs,

of Georgia, said to a reporter of the *Atlanta Constitution*:

"I have just read an article by Manton Marble in the *North American Review*, in which he says that silver was really demonetized in this country by the act of 1853. That is not true. I was on the Ways and Means Committee at the time, and drew that very bill, and passed it after a month's discussion. The truth is, that the bill made no change in the coinage of the country. The reason of the act was this: Silver bullion was worth more than the coin, and men were buying up our half-dollars, quarters, and dimes, throwing them into the melting pot and exporting them. We had no change in the country, and the people were really in want. England had suffered in the same way, and to correct the evil had reduced her subsidiary coin six per cent below the standard. I simply adopted the same rule for the purpose of keeping the coin in the country. The act was passed, and the result was reached."

And referring to the Demonetization Act, he said:

"It was a fraud, put through by a venal Congress. A set of thieves fixed up the code and did their corrupt work there; but we are not bound by it. It is not law. Take our own code of this state; the supreme court is constantly driving out of it things that were never law. The silver dollar never has been legally demonetized, and if it ever has, it was a fraud upon the people, a trick that ought to be punished by a penalty on the tricksters."

It is true that in 1873 the dollar was dropped out of the list of coins authorized; but when Prof. Sumner says that the silver dollar never had an existence as a circulating medium, he denies a fact as patent as any other fact in our history. Millions of them had been coined, as he may well

know; during the first part of the year 1873 nearly one million had been coined; hence they did exist as a circulating medium.

His assumption is no more relevant in enforcing his argument than it would be to assert that as no gold dollars are now coined, and that those in existence being so scarce as to command a high premium, therefore the gold dollar never had an existence as a circulating medium, and is not now the standard.

Our nation has struggled on through great trials and poverty, and we did the best we could to possess ourselves with coinage, and no person may say that the people do not want silver, and Prof. Sumner cannot truthfully say it; for if they do not want it, and he is not desirous of preventing them from having it, why is he worrying himself at the expense of truth and fairness, and why is he straining the charitable spirit of those who would gladly think well of him, even though they had not the fullest faith in him as a teacher of sound political economy? What did it mean in 1878 when the people set up a shout for the white dollar?

We well know that the Shylocks whom Prof. Sumner so faithfully serves in this matter do not want the white dollar; but they are but a small portion of the people.

But Prof. Sumner abounds in insinuation. He

seems to think that only debtors, and those directly aiding and abetting them, want the silver dollar, assuming that the debtors desire them that they may be able thereby to defraud their creditors. His imputation of dishonor on the part of the people who, in their true nobility and manliness, resist the unjust demands of the money power is not honorable on his part; and if he was not so thoroughly bound up in, and if he was not compelled so fiercely to fight for, in his efforts to sustain, his *theories*, he might be able to see in the struggles of the people to fully restore the white dollar a desire on their part to protect the poor, and to conserve the best interests of our industrial activities, thereby to promote a healthier social condition than at the present time obtains.

In keeping with his partisan untruthfulness is his ungrateful reproach upon a worthy people, and the ungraceful act to use the fact of our poverty in days gone by as an occasion against us now. Because we were poor does not warrant him in assuming that he may ride rough-shod over the people now, and set up a standard in defiance of precedent and justice.

The simple proposition as to the propriety of demonetizing silver may be stated in few words.

If it is good sound common sense and rational policy to make our monetary standard so that the money shall, by virtue of scarcity, constantly in-

crease in purchasing power, at the expense of the states and municipalities which have in these past times of inflation loaded themselves with debt, and at the direct expense of the people who, by reason of the great volume of their current indebtedness as individuals, firms, and corporations, are now in the throes of a pressure prostrating and strangling their industries, and driving the wage-worker—the poor—to desperation. If it is best to discourage our business men and manufacturers who of necessity, in the prosecution of their legitimate enterprises must borrow money and sell their goods and wares on credit; if the paramount object in view is to secure to the creditors all the advantages, and especially that their accumulated capital, without labor on their part, shall compound by inherent growth, as well as by accruing interest, then by all means let us have a one-metal standard; let us submit without protest to the dictation of the “wise men” and the capitalists.



## XXIV.

### ONE MORE OF THE "WISE MEN."

SOME years ago while rustivating in a little village on the prairies of Nebraska, we were approached by a Pawnee Indian, who gave us the usual salutation, "How!" and then presented us with a paper, old and greasy, saying as he did so, "Heap good Indian!"

We examined the paper. It had a flaming red seal affixed. Its contents were as follows:

"This is to certify that the bearer, Mr. Lo, is desirous of receiving assistance in the prosecution of a labor of love, by consuming food produced and prepared by other hands than his own.

"He belongs to one of the first families of the country. He feels that we are under every obligation to assist him—if he can persuade the people to do so—and he will present this paper to you with this object in view. I have known Mr. Lo off and on, since I struck the country, and I have on several occasions discovered the necessity of keeping an eye on his movements.

"A. HOMESTEADER."

Prof. J. Laurence Lauchlin, of Harvard College, comes to the assistance of Prof. Sumner with a chart\* showing the fluctuations in the relative

\**North American Review*, June, 1885.

value of silver and gold during the past fifteen years, and presents the same to the people as proof of the unfitness of silver in our monetary standard.

This chart is worn to dilapidation, and in other respects possesses striking resemblances to the certificate above referred to.

Mr. Lo presents his certificate and the Professor offers his chart, but they each prove too much. We were satisfied that Mr. Lo's certificate and his own professions fairly entitled him to a paper of tobacco, which we gave him, and he went on his way rejoicing. As to the Professor's chart which is seemingly so precious to him, and brought into such frequent use, and so confidently relied upon to gain the attention and sympathy of the people, we simply reversed the words respectively "silver" and "gold" for each other for the purpose of giving the zigzag lines of his chart a truthful rendering. We pursued the same course, where necessary, in the text accompanying his chart, and then we read:

"Gold and silver have been selected by the common consent of the world as the materials of money, because, although they have not remained absolutely stable in value, they have shown less change than any other commodities. Of the two (gold) has appeared capable of by far the greater variations in value, wholly apart from the causes of these variations. This has been a marked characteristic of (gold) in the past few years. The accompanying chart will make clear what a dance this metal

has kept up in the past fifteen years, and that it has danced most in (an upward) movement. No medium so unstable as this has now become can serve a business community."

As to whether gold or silver is the steadier in value can only be determined by a comparison of the purchasing power as *bullion*, of each metal separately in an average of the values of other most useful commodities, and not the one metal with the other, and if silver is found more nearly to correspond in value with other commodities than gold, silver is the more stable metal.

Prof. Lauchlin will hardly presume to deny that such a comparison would at this time prove silver to be more nearly in accordance with other values. Silver and gold as *standard coin* are identical in purchasing and paying power, notwithstanding that at this time there is a difference in their value as bullion simply because the people are denied the constitutional right of transforming their silver into coin — of minting their bullion.

The bullion value of silver and gold in the London market has but little to do with the affairs of the people of the United States, but it is a matter of vital moment to the people that the right of minting the metal is denied them.

The trouble with Prof. Lauchlin is that he is looking directly at a distant object (gold) which is in fact, moving rapidly, but his gaze being fixed upon that object it seems to move but slight<sup>ly</sup>.

while intervening objects coming within the scope of his vision, although they may be standing still, seem to be in rapid motion.

We seemed to give full satisfaction to Mr. Lo in tendering him a paper of tobacco. He *grunted* satisfaction, if he did not say it.

We might do the same by Prof. Lauchlin, but we have no assurance that he uses the weed, but being unlike Mr. Lo in one respect—in ability to read in the English language—we do the next best thing and respectfully tender these lines as a mild narcotic, which he is at liberty to put in his pipe and smoke.

## XXV.

### THE RELIGIOUS PRESS.

THE most powerful agency at work against the true interests of the people in influencing public opinion on the money question is the religious press. This is a public misfortune, and it is to be deplored.

We have seldom seen any editorial matter in any distinctively religious journal, touching the matter of the monetary standard, that was not a partisan appeal, and did not rest upon erroneous assumptions instead of facts.

For the most part they seem to be caught by the "wise men's" cry for "a higher standard of commercial morality," and by the rich man's cry for an "honest dollar," instead of "a dollar worth only" eighty-five cents. They certainly have full liberty to discuss matters pertaining to finances, as well as distinctively religious subjects, but it would become them to have truth for their foundation. The Christian editor who will candidly state facts pertaining to the issue, will do good service to the whole people and honor his profession. And even though his deductions

from the facts may be considered as possessing grave errors, yet they would be received with respectful consideration, as coming from a sincere and honest man ; but as they too often appear, they are deserving only of contempt, for they amount simply to an exposition of his ignorance, and have led many people to believe that, generally speaking, the religious press has passed under the baneful influence of the money power—that they willingly truckle to the rich.

We copy below an editorial from the *New York Evangelist* (Feb. 26, 1885), as a specimen of insight and erudition on the part of the writer of the editorial, which we follow with a few notes, referred to and indicated by numbers.

“ AN HONEST DOLLAR.

“Seven years ago Congress passed an act for the coinage of a silver dollar, having a certain standard fineness, and weighing  $412\frac{1}{2}$  grains, troy weight, as fixed by the old law of 1837. The former silver dollar had been out of circulation for some years. (1)

“The abundant products of the mines, however, have unsettled the commercial value of silver (2) until recently, when it has been revolving around a price which makes our dollar worth about eighty-five cents. (3) The law of 1878, requiring a coinage of silver at the rate of \$2,000,000 a month, has resulted in a vast storage of such coins in the treasury and sub-treasury vaults. Its inequality with the gold dollar (4) has prevented its general circulation (5), the people fearing lest it might become worth only its real and not its face value on their hands. (6) \* \* \*

“One of the most sacred obligations of any government is to

furnish its citizens with a reliable currency as a circulating medium, for all uses of commerce and trade. The wants of such currency will introduce hindrance and disturbance in all business transactions. Faith in the government that stamps value upon the currency, is the confidence upon which business is based. Hence it is of the highest moral importance that the currency of any country should actually be, or faithfully represent, what upon its face it professes to be. (7)

"The paper money of our country is its promise to pay one dollar in gold for one dollar of its promises. (8) Here the pledge of redemption by the government gives value to the paper currency. It is a dollar of *faith*. The gold dollar is a dollar of fact, that is, it is actually worth one hundred cents. (9) But when the government issues silver coins bearing its stamp, with the words "One Dollar," whose actual value is but eighty-five cents (10), and with no promise to redeem such dollars in gold, it publishes something very like a falsehood. The silver dollars are sent forth for circulation without any intention or pledge of redemption. (11) Hence such a coin is neither in faith, nor in fact a dollar. (12) It is a silver lie. (13) No wonder it will not circulate. (14) The government now has many millions of such fraudulent dollars crowding its vaults to bursting. (15) But what does the government want of them, when it is certain that the people will not take them? (16) An honest dollar is as much a necessity in any community as an honest man. A dishonest dollar will help make a dishonest citizen. (17) The government that deliberately and persistently takes eighty-five cents in its hand and writes upon it "This is one hundred cents," teaches its citizens, by its example, political and private immorality.

"We do not discuss the question whether we shall have a silver medium of currency or a gold standard only. (18) But as representing the religious community we feel bound to protest (19), in the interest of righteousness, against any fixed medium of currency that neither in itself nor in its promise of redemption is equal to its certified profession.

"There is a general feeling in the country that there has been enough of this attempt to force upon it a depreciated currency. The people refuse to touch it. (20) By all means let our legislators give us an honest dollar."

(1) This is not true. The silver dollar of 1837 had been coined every year since 1838, except in the year 1858. More than a million had been coined in 1872, and nearly as many had been coined in 1873, before the order to cease coining had been issued, that being the year in which the Shylocks secured the passage of the Demonetization Act.

(2) This is *part* truth — hence not *the* truth. Unfriendly legislation had done more than all things else to unsettle the bullion value of silver. British traders and American schemers raised a great cry of "enormous production," to scare the people. The "excessive production" at that time was only a ruse, and had but the slightest effect upon its value; and whatever it did amount to then, does not operate now, for "excessive production" is dead.

(3) This is false. Our dollar is worth one hundred cents, and that is the price it sells for every time a person buys a copy of, or subscribes for, the *Evangelist* and pays for it in silver.

(4) Three distinct errors in this clause. It is on an exact equality with the gold dollar.

(5) It is in general circulation as certainly as



gold is ; ten transactions are made in silver to one in gold. Millions of the dollars are in immediate circulation, and nearly one hundred millions are in circulation as certificates, and doing good service, for which certificates the people have deposited coin dollars with the government for safe keeping, and this—the people's money—is what is “crowding” and “bursting” the treasury vaults. To ignore these facts and knowingly to state that the people will not touch them is malicious. These silver certificates circulate among the people and are accepted as freely as national bank notes.

(6) No reasonable person (even including the editor of the *Evangelist*) believes that the government will repudiate the silver dollar by depriving it of paying power. We all know that the Shylocks would be delighted to have the paying power taken from them.

(7) Our government always limits the paying power of coins not “standard” in weight and fineness.

(8) This is a mistake except as to gold certificates. Treasury notes are payable in *coin*.

(9) As we have already stated, so is the silver dollar.

(10) The government does not issue any dollars worth less than one hundred cents.

(11) This is a “whopper.” The law authoriz-

ing their issue says they are good "for all debts and dues, public and private." We leave with the editor to explain how the government redeems its standard coins, other than by the imposition of taxes and penalties, or in borrowing money.

(12) This is a compound fib.

(13) This is one of the editor's white lies.

(14) This is one of his circulating lies.

(15) The government practices no fraud; the coin is of full weight and standard fineness. It is not the province of the government to guarantee the purchasing power of its coins.

(16) This is repeated several times. It is certain the people do take them, as we have above shown by absolute proof.

(17) This is an insinuation, based on errors herein noted.

(18) Speak in truth and fairness, or else relegate the matter to the secular press.

(19) "Cast out the beam out of thine own eye, and then thou shalt see clearly to pluck the mote out of thy brother's eye."

(20) The editor of the *Evangelist* may possess his heart in patience. The people will attend to this matter.

## XXVI.

### THE "INDEPENDENT."

WE present below a very facetious editorial from the *Independent* of New York, issue of May 14, 1885.

This journal professes to be a religious newspaper, and we so state in order to give it the full benefit of its professions.

It publishes one or more silver articles each week of like tenor with the following editorial. In the same issue appear about seventy advertisements of banks and moneyed corporations, and firms advertising money to loan.

We select this editorial as an illustration of its fidelity in the service of its master:

"The motto 'In God We Trust' should at once be removed from the fraudulent eighty-three-cent silver dollars, now being coined by the million every month, by the United States Government. If the Secretary of the Treasury has the power to stop this abominable wickedness, let him make haste to do so. He cannot be one minute too quick about it. The use of such a motto on such a fraudulent silver piece, by the sanction of the United States Government, is a national crime and a monumental insult to the Creator. There is but one being in the universe that can complacently smile on such national dishonesty, and that being is his Satanic Majesty, 'the father

of lies.' If President Cleveland, through his Secretary of the Treasury, has not the power to stop the blasphemous use of this motto, let him at once ask Congress to give him that power, and while he is about it, let him also ask Congress to help him set the seal of honesty on every future act of his administration. One of two things ought to be done at once: Stop coining eighty-three-cent silver dollars, or make them worth plump 100 cents, the same as gold, and not one single fraction less. President Cleveland could not do a wiser, more popular, or more honest piece of work than to call at once an extra session of Congress to act on this most important question of national faith. Let the fraudulent eighty-three-cent silver dollars be exterminated—with Mammonism."

Because the *Independent* strives for and trusts in *gold dollars* is no reason why those who trust in God should cause the motto to be removed from the people's dollar.

The *Independent* calling the people's dollar an eighty-three-cent dollar is no proof that it is not a dollar full and complete—the true dollar—the coin anticipated in the Constitution, and thereafter speedily provided for by Congress and established as the unit of our national money, and the same in its portion of pure metal now that it was then, and as it ever has been.

The *Independent* advises the Secretary of the Treasury to make haste to stop, if possible, the coinage of the white dollars. It seems to forget that the people have something to say in regard to the matter, and also that the white dollar has staying qualities.

It was, indeed, put down for a time in a very sly manner, but when the people discovered the slight which had been put upon their money, they brought the white dollar back to stay; and because the *Independent* demands that if these dollars must still be coined more of the precious metal shall be put into them, it does not follow that the people will grant such an unreasonable and unjust demand.

His Satanic Majesty, the father of lies, seems to have a true scion in this editor of the *Independent*, and this editor need not worry about the motto, seeing that his father *smiles* at it.

But the best wine is reserved for the last. In the closing lines its graceful wit, its lovely temper, its excellent wisdom, its devotion in self-sacrifice, its kindly instincts in behalf of the poor, its true nobility culminates and blossoms, revealing in all its beauty and blessing its pure religion and undefiled — *Mammonism*.

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ERRATUM — On page 162, 13th line, for Mammonism read Mormonism.

## XXVII.

### "YOUNG AMERICA."

ONE noteworthy feature of our social improvidence is the thoughtlessness of the average native-born young Americans, manifested by their apparent indifference to the great problems looming up before them, and their little appreciation of the demands to be made upon them in the near future.

This is more noticeable in the sons of parents in moderate circumstances than among the sons of the rich. While of the latter, one may occasionally be seen "sowing his wild oats" and making a fool of himself, yet the disposition of the rich now, more than ever before, is to discipline their sons in the ways of money getting and money keeping.

Time was, a generation or less ago, when the rich, having a competence, were disposed to take the world easy and enjoy themselves, and their sons largely possessed the same spirit; but that is now past. There were few rich then, there are many rich now, and more than ever in this fast age are the rich spurred on to keep up in the

universal "free for all" race for riches; and, as well, the tendency with such now is to unify their riches, and, as families, instead of dividing and distributing among themselves, to make all they have and all they can get work as one direct and powerful interest.

But it is the sons of parents in poor and moderate circumstances who are the subjects under consideration. They generally possess at least a fair common-school education, and with this an almost infinite fund of hope and expectation. Not one of them believes himself to be born for poverty, and yet it is certain that few of them will ever experience any other condition. The cares of the present rest lightly on their shoulders, and they feel little weight of responsibility as to the future. They are generally cheerful, and many are living in comparative comfort; many are cared for largely at the expense of their parents; or, living away from home, they are with substantial assistance remembered by the friends at home. Most of them are engaged in useful and honorable occupations, and are earning something; but their earnings too often serve only to keep them in improvident habits, and perhaps in vice.

Their greatest anxiety is to appear well in the circle in which they move, and to wear as good or better clothes than their companions, with full intent "to have a good time and enjoy life." They

look forward confidently to a day when they will be in the midst of business activity and be an important factor in social and political life, but in the present they are suffering but slight discipline for life's duties, and passing through but a tithe of the domestic asperities and economies endured by their parents in early life.

To them the future looks bright, and they feel that there is a "good time coming." They forget what an important element money is and will be in the make up of their future — to what extent their ability and usefulness will be circumscribed for the want of money — capital. And they forget or do not realize that the white dollars they allow so easily to slip from their hands, with advancing years will from natural causes grow in value, and perhaps, by reason of personal necessities and the difficulty of obtaining them, will soon seem to appear like cart wheels compared with their apparent size at the present time.

They issue an I. O. U. or "run a bill" at the store for things they do not need, or would be better off without, in anticipation of future earnings and possibilities, with as much *sang froid* as the rich man would pay out one hundred dollars that he believed almost certain to bring him two hundred dollars in return.

They forget that all they will ever have will be measured in the beginning by their savings, and



that while in debt, and until they earn and save the full sum and with this means pay their debts, they have no start in the world; this first, and then that they will never have seven dollars in their own right as capital until they save so much; that they must first get seven before they can have seventy, and the seventy must be saved before they can have seven hundred.

And they even forget the value of the capital fund — the foundation upon which all stand, with which all are endowed — natural ability and good health; and fail to cultivate the one and preserve the other.

As a matter of fact, this hint of “economy” is a hard hint to “take,” for the average young American. Our young men must keep an eye out for the foreigners in our midst; a practical lesson may be learned from them. They are workers and save their money; they seldom put a coat on their backs without first having paid for it; they are not ashamed to be “hewers of wood and drawers of water”; they do not despise the day of small things—even of *small savings*. These are getting the start of “Young America,” and, as between the two, those will come out on top who have the most money.

But withal we say to the young men, Do not forget that with a fortune of money it is possible to be very poor indeed, and that aspiring for money

is not necessarily a worthy aspiration; sordid motives are ever unworthy, but some money is an absolute necessity. It matters not what course in life we pursue, we must gather some money. In any business or profession a little money adds dignity to the person, and will, properly used, be a great convenience and add much to comfort.

We have no desire to lecture the young men; any public library contains plenty of volumes of advice and directions for young men, and of much value too, if they would more frequently consult them, but we venture a little further. The wise young men are those who set the highest value upon the advice of their elders — of their parents, who love them and have their best interests at heart, who have lived longer in this selfish world, know more of it and have felt the reality of human existence in its necessities for preparation and caution; and also, of those whose lives are a commendation of their genuine nobility of nature, who do sometimes voluntarily advise, and who would gladly be consulted by any young man earnestly desiring to learn how best to get on in the world.

The fools are those who think themselves to be smart; they will only learn by experience — they will have their own way; this is expensive — a loss of time and substance. Whereas the wise young man can and will gladly learn by the experience of others, and this is gain — *all clear profit*. The

young men are too apt to forget what a vast capital fund, all profit, there is available to them in this regard.

We would, if possible, arouse the thoughtless young men to the demands of the day—to the consideration of the problems before them—their usefulness, and of their happiness, which depends wholly upon their *usefulness*.

Young men, the problems of social life, of labor, capital, and finance are before you, and you must rise to the importance of the issues—to meet and master them, or they will master you!

## XXVIII.

### THE GENIUS OF MONEY GETTING.

TO get money is not necessarily to acquire wealth, for wealth to the individual primarily depends upon the condition of the body, the mind, and the heart. We may have much money and not have wealth. Wealth is ever a blessing; money may be, and often is, a curse to the possessor. We ever wish to make a broad distinction between wealth and riches, and we have intended to emphasize this distinction in these pages.

The world is free and willing to acknowledge the romance of money getting, and generally concedes the full meed of genius to the possessor of riches, and never tires of listening to the circumstances attending the actual accomplishment of that which we are all striving for — money.

In the current news of the day, any item relating to the sudden acquirement of riches attracts immediate attention and careful perusal; and, in business and social circles, any news relating to the loss or gain of money or property engages attentive listeners.

A large portion of our works of literary fiction

are made up in matter largely descriptive of plottings, intrigues, or some exigencies relating to the acquirement or loss of riches, and although the narrative may be far-fetched, unreal and impracticable, yet the average reader is fascinated by it. There is a wonderful and continuing charm in the story of "Aladdin's Lamp."

The histories of persons who have acquired great riches, and of the manner in which the riches were gained, are far more generally known than the histories of persons who have accomplished great results in adding to the common wealth.

It is doubtless true that most people have a better knowledge of John Jacob Astor's shiploads of furs, and his reputed profits from the sale of them, than they have of Marcus Whitman's journey across the continent, and of his interview with Daniel Webster, which resulted in untold and almost incomparable wealth to our people in saving to us the great territory comprising the state of Oregon and the territories of Washington and Idaho.

The exploits of the late James Fisk, Jr., in his day were heralded through the press far and wide, and to this day they are remembered and talked about; and some of his slang phrases remain and are often heard among us; not that for any reason they merited remembrance, but they are a legacy

of the romance attaching to his name. He made himself conspicuous by his practices and peculiar methods in money getting, stepping down, as he did, from his peddling wagon, doffing his driving gloves, donning the uniform of a commodore, and striking out as a steamship and railway magnate.

We often hear the remark, relating to one who has suddenly acquired money, "A fool for luck"; and we hear quite as often, persons who have missed an opportunity to get money, berate themselves as fools for not being lucky. The average citizen is too much disposed to consider luck as one of the elements in the make up of his worldly fortunes. Belief in luck is a delusion and a snare — a misfortune. It unsteadies the hand and weakens the will, and hinders and unfits us for the accomplishment of our proper work in life. It is a superstition which has oftentimes a strong hold upon the mind, and always exerts itself in the line of vain expectations and foolish efforts, and ends in enervation and discouragement.

Our noblest condition is in the line of painstaking, intelligent, and faithful industry. In such exercise the mind is developed and is thus fitted to lay hold of the real problems, to comprehend and to solve them — to brave manfully the exigencies and emergencies of life.

Volumes without number have been written to

encourage and promote industry and thrift, and for the most part, while the sentiments and advice contained in them is valuable, they are so long-drawn-out and often bewildering, that they leave the reader in dreamy musing and slumber. They fail in specific clean-cut ideas, and do not make the desired direct and positive impression on the mind of the reader.

We recognize the fact that platitudes usually fail to provoke to action, and we hope in some degree to avoid these errors, even at the expense of being too brief. We trust we may be pointed and practical, for unless the reader secures some practical *help* the direct object of this little volume will be lost to him.

We have no intention of discussing ways and methods of money getting further than to show wherein the genius lies.

None may say "I have no gift," for genius is a natural gift, and all possess it in a greater or less degree. This gift is susceptible of cultivation and growth.

This gift implies:

I. Intelligence—ability to reason. We all claim this quality in our own behalf. This is the *foundation* upon which we build.

II. Common sense. This is a very comprehensive term, but may be defined in three sentences:

1. A *desire* to learn. This is the *corner stone*.
2. Wit to recognize and appreciate an opportunity to learn. This is the *key stone*.
3. A will to *learn* when an opportunity presents itself. This is the *cap stone*.

III. Purpose. No person ever amounted to anything who did not possess a purpose, *i.e.*, have an aim to do something, and be of some account in the world. This is the *master builder's hand*.

IV. Creative skill. To devise ways and means to accomplish the purpose. This is the *master builder's mind*.

V. Economy. To avoid waste of time and labor. These items are the *implements*.

VI. Clear perception of personal rights and honor to maintain them—with a disposition to “put yourself in his place,” that you may be able to exercise judicial firmness. This is the only safe rule of conduct, and while one may seem to be successful in gathering riches by over-reaching, wronging, and impoverishing his neighbors, which result is *not* success, yet a hundred by such conduct only rise to the dignity of common rascals, and often find themselves in durance vile; or perhaps grow to the stature of a tricky citizen, tolerated by neighbors, but always looked upon and regarded by them as unworthy of confidence, and thereby are cut off from many valuable oppor-



tunities of getting on and up in the world. This is the *style of architecture*.

VII. Keen discernment of values. While the elements above noted are each absolute and imperative in necessity, this last is not less essential, and is, in fact, the practical secret — to be able to grasp, comprehend, and relatively to determine values. These are the *building materials*.

We submit the following propositions:

*First.* The most successful men are those who possess the keenest recognition of values, and to the measure of their ability make practical use of their knowledge.

*Second.* Those who accomplish the most wealth are those taking in and determining most accurately the farthest in any line, or the broadest range of values, as in poetry, art, music, medicine, philanthropy, or any branch of beneficent labor and practical good will to men; and who by their works and lives *demonstrate* their knowledge of values.

*Third.* Business skill consists (a) in careful and orderly preparation for, and systematic habits in, the prosecution of business (b) together with the exercise of good judgment in estimating values of the items making up the whole world of valuable things, or in special line indicated by the range of business entered upon, (c) all to be done within the limits in which the capital and credit will allow the individual to work.

We cannot fairly draw the line distinguishing between values "limited" and "unlimited," or between money getting by fair means and the production and development of wealth. It is a matter which concerns and depends upon the heart of the individual; but it does not rest there, for in the use of the means at command is determined the part we each shall bear in making our lives useful.

We add a few illustrative notes :

John Jacob Astor had a wonderfully broad vision over the great sea of commercial values, and he wrought out great gains, but he had a higher sense of values than those which are "limited," and he demonstrated his knowledge of values "unlimited" in founding the great library which bears his name.

The miser may be very rich, but his mind is so small it takes in few values. He denies himself the ordinary comforts of life and can see no wealth in blessing others.

The speculator goes up or down on his judgment as to commercial values.

Abuse of the body in the misuse of any of its members or organs is proof that good health is not properly valued.

If a sharper gets the better of you, it is simply because either you are too credulous as to his statements (an error on your part as to the value of his statements) or, not relying upon his state-

ments, he is more than your equal in judging as to values.

Marcus Whitman esteemed it of high value to Christianize the Nez Perces, and without hope of pecuniary reward as a missionary sought them out in their home on the Columbia, and labored among them ; but his sense of values was so broad and well defined that while he was devoted to the Nez Perces he discovered the plottings of our enemies, and discerned a grand opportunity for usefulness in defeating the scheme of those who desired to deprive us of that broad and valuable territory.

With marvelous resolution of purpose, well knowing the danger of the undertaking, he crossed the continent in winter and alone, enduring terrible hardships, passing through a country almost unknown to civilized man, and by his sufferings and self-denial wrought out a blessing in our behalf, of the value of which, with our highest powers, we can make no just estimate.

He demonstrated the problem of the great Northwest, that it was of inestimable value, and that it could be saved to us. He prevailed upon the government to save it, and as an earnest of his faith, he gathered a great colony and piloted them across the continent to occupy the land and hold it. After which he devoted himself to the Nez Perces and laid down his life, a martyr to the value he placed upon their enlightenment.

## XXIX.

### WHAT SAY YOU?

**W**E glory in the declaration of the immortal Lincoln, that ours is "a government of the people, for the people, and by the people."

Our government, in the text of its Constitution, has reserved to itself power to protect the people.

Governments are bound to protect their subjects, and redress their grievances, but failing in this protection, and refusing just and necessary relief, the governed will arise in their might and declare their sovereignty by sending up as representatives men who will protect the people.

We look about us and see our people in extremity and hear the wail of distress. - The causes are clearly apparent, and may be summed up in these words: The legislative powers of our country, so far as they relate to financial and commercial interests, do service to the rich, conspiring to the end that the rich may grow richer, regardless of the fact that such legislation inevitably condemns the masses to poverty and the poor to slavish servitude.

The time has now come to make imperative de-

mand, not for new privileges or unwarranted rights, but a restoration of rights taken away and withheld from us — rights guaranteed by the Constitution and reserved to the people by law for fully eighty years, without which we can have no encouragement for the future.

We ask only for a *fair chance* for ourselves and our children, and if what we ask is not given to us we will take it — *take it by storm!*

We look to our representatives to protect us, or we will surely relegate them to private life and place men in power who can discern the rights of the people, as against the favored few. Men who will protect the poor from the invasions and depredations of the crafty over-reaching and greedy rich. Men who will spend their strength in devising ways and means looking to the betterment of the condition of the people, rather than in subverting their constitutional rights.

We demand that legislation shall be in favor of the whole people, and that in the exigencies of the times, if there are sacrifices to be made, the rich shall at least share an equitable part rather than that occurring misfortunes shall be borne by the poor and that such misfortunes shall be turned to augment the power of the rich.

We need to utilize the white metal to the fullest extent. It is preposterous to assume that the people can have too much *money*. No one of our

rich citizens will allow that he now has or can have too much. There is no more danger to be apprehended by reason of the people having too much money than there is that our nation shall become too wealthy. And to this end we demand that the coinage of silver shall be made as free as the coinage of gold — the coinage to be on our time-honored and historical basis — and that the government shall receive and hold, on terms of equality, gold and silver coin and bullion for our citizens, and issue certificates therefor, rated in gold, redeemable in dollars or in fine bars on the basis of dollars, at the option of the holder, the same to serve as our money medium, thereby giving to the people the best currency the world has ever known — a currency subject to no contingencies of failure — every dollar resting on a solid basis, even the metal itself.

If this is your will, speak with no uncertain utterance to your representatives in Congress, that they may know your will!

## POSTSCRIPT.

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THE coinage of silver dollars under the Act of February, 1878, up to July 31, 1885, was \$205,784,381. The amount coined during each fiscal year was as follows:

1878 .....	\$ 1,573,500	1884 .....	\$28,099,930
1879 .....	27,227,500	1885 .....	25,528,552
1880 .....	27,933,750	Fractional year,	
1881 .....	27,637,955	July, 1885.....	1,900,000
1882 .....	22,772,075		
1883 .....	28,111,119		\$205,784,381

Of this coinage there is now in the hands of the people, in current use, \$39,284,432; our citizens have on deposit at the treasury of the United States, for which they hold certificates, the same being in service and passing current as money side by side with the treasury notes, national bank notes, and gold certificates, \$98,872,106; the treasury holds as available for the payment of government indebtedness, \$67,627,843; making a total of \$205,784,381.

Agreeable to the will of the New York Clearing House, the treasury officials refuse to utilize this available residue in the treasury, and anticipate the necessity of borrowing gold from the

New York banks, which the banks have volunteered to lend to the government, through fear lest this available surplus may be paid out to the government creditors. This is all done that they may make a showing of "a great stock of silver dollars which the people will not touch"; and in doing this they set at defiance the laws of Congress under which these dollars are minted, as will be observed by reference to pages 86 and 87.

In order to show how little occasion the people have to be frightened by the satanic howl issuing from the throats of the Shylocks, and to show how insignificant a sum it is, and withal how important a matter it is that this sum should be largely increased, and as an indication of the necessities of the people, we make just one comparison:

According to Poor's Manual, 1885, the share	
capital of the railroads of the United States	
at the close of 1884 was .....	\$3,762,616,686
Railroad indebtedness was .....	3,913,782,368
Interest on this debt paid in 1884.....	176,694,802
Dividends " " " .....	93,244,835

We have coined silver during the past six years in a sum about equal to one year's interest on the railroad indebtedness. The total coinage thus far, including the coinage at present rate for two years to come, would be required to equal in amount the interest on the debt and the dividends paid for the year 1884.



If it is said in relation to this comparison that this coinage is a permanent stock, and is used over and again, it may with greater force be said in reply that there are many permanent, continuing, and increasing uses for it; and as well that the coinage of this metal does not increase the world's stock of silver, further than that its increase in value by utilizing the metal has a tendency to stimulate the production.

The capital represented by this inconceivably immense railway debt is compounding at about the rate of five per cent per annum, while the great army of railway employes are simply gaining a bare livelihood, and most of those having families to support are struggling to make their ends meet.

The combined weight of share capital demanding dividends, and the debt capital exacting payment of interest aggregating \$7,676,399,054, a sum far greater than the world's total stock of gold and silver coin, is the pressure bearing down upon the toilers operating our railways. It is possible that the farmers and other workers may conclude that their interests are affected by this showing.

If this capital, represented by the railway debt, is compounding, it must be feeding on and consuming something. Now what is it consuming?

